



LESSONS IN MULTILATERAL EFFECTIVENESS

Accelerating Climate Action: Multilateral Development Banks' Readiness and Performance

REPORT



Image credit: Alexander Mils, Unsplash



LESSONS IN MULTILATERAL EFFECTIVENESS

**Accelerating Climate Action:
Multilateral Development
Banks' Readiness and
Performance**

REPORT

This report is published under the responsibility of the Multilateral Organisation Performance Assessment Network (MOPAN). MOPAN is an independent body that is governed by a Steering Committee composed of representatives of all of its members and served by a permanent Secretariat. The Secretariat is hosted at the Organisation for Economic Co-operation and Development (OECD) and bound by its administrative rules and procedures and is independent in terms of financing and the content and implementation of its work programme.


This document, as well as any data and any map included herein, are without prejudice to the status of sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:

Multilateral Organisation Performance Assessment Network (MOPAN) 2024, *Accelerating Climate Action: Multilateral Development Banks' Readiness and Performance*, Lessons in Multilateral Effectiveness, Paris

Photo credits:

- © Alexander Mills | Cover, 2
- © America Blic Power Association | 10
- © Freepik | 21
- © Karsten Winegeart | 23
- © Nicholas Doherty | 25
- © Science in HD | 26
- © Hubert Neufeld | 30
- © Jacek Dylag | 32
- © Andrew Petrishev | 34
- © Neeraj Nabar | 43
- © Jose Duarte | 44
- © Manny Becerra | 48
- © Kateryna Hliznitsova | 50
- © Science in HD | 70
- © Casey Horner | 72
- © Mikhail Luxkstn | 77
- © USGS | 78



MOPAN's shared vision is to promote an effective multilateral system, trusted to deliver solutions to evolving global goals and local challenges.

MOPAN is a network of members that assess multilateral organisations, shape performance standards, and champion learning and insights to strengthen development and humanitarian results and promote accountability.

Capitalising on the Network's unique cross-multilateral system perspective and expertise, MOPAN members¹ work together to deliver relevant, impartial, high-quality and timely performance information as a public good through an inclusive and transparent approach.

MOPAN's performance information mitigates risks, informs decision making and supports change, helping to increase knowledge and trust among all stakeholders and ultimately achieve a stronger and better-performing multilateral system

¹ As of 1 March 2024: Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, Norway, Qatar, Spain, Sweden, Switzerland, the United Kingdom and the United States are members; New Zealand and Türkiye are observers.

Acknowledgements

The MOPAN MDB Climate Synthesis was conducted under the overall strategic guidance of Suzanne Steensen, Head of the MOPAN Secretariat. The project was carried out under the management of Patrick Saez, Senior Policy Advisor. The report was written by Erika MacLaughlin, Policy Advisor, who led the methodological design and data analysis and drafted the final report. Zora Steedley supported data collection as a research assistant.

The assessment was externally reviewed by a range of partners, including Rakesh Nangia, Hasan Tuluy and Ieva Vilkelyte from Centennial Group International, John Redwood and Marjorie Broomhead. The report was further reviewed by the OECD's Environment Department, including Jo Tyndall, Director of the Environment Directorate, Mathilde Mesnard, Deputy Director, and their team: Yuval Laster, Raphael Jachnik, Geraldine Ang, Robert Youngman, Moongyung Lee, and Valentina Bellesi.

The report was edited by Debbie Glassman and proofread by Christopher Mooney. Alex Bilodeau provided the layout and graphic design. Coordination of the editing design and layout process was done by Camille Hewitt.

This synthesis would not have been possible without the close engagement and valuable contributions of many partners from the organisations covered in this report. MOPAN is very grateful to partners from the African Development Bank, Asian Development Bank, Climate Investment Funds, European Bank for Reconstruction and Development, Global Environment Facility, International Finance Corporation, Inter-American Development Bank, IDB Invest, International Fund for Agricultural Development and the World Bank.

Finally, MOPAN is grateful to all Steering Committee representatives and its member countries for their financial contributions, making the report possible.

Table of Contents

Acknowledgements	6
Abbreviations & Acronyms	9
Executive Summary	10
Introduction	23
Methodology	25
Lines of Evidence	27
Approach	28
Limitations	29
Quality Assurance	29
MDBs have evolved in how they address climate change	30
MDB responses to climate change	34
Five challenges for MDBs to deliver on their COP28 Commitments	43
1. MDBs have difficulty demonstrating how their knowledge work, institutional capacity support or policy dialogue contribute to creating an enabling environment.	44
2. Concessional finance remains fragmented, can incur transaction costs for access and is not optimally positioned to catalyse investment.	50
Challenges of supporting climate mitigation and adaptation through concessional fund windows	52
Donor trust fund transaction costs can result in missed opportunities	52
Harmonisation, streamlining and scaling through Vertical Funds	53
3. MDBs are not working systematically through a “whole-of-institution” approach to enable private climate action.	57
4. MDBs currently report on climate finance rather than climate results.	62
5. MDBs are not optimally positioned to collaborate as a system including through country-led co-ordination mechanisms.	66
Considerations for MDB Reform: Scaling-up good practices to address emerging challenges for climate mitigation, adaptation and resilience	70
Scale up concessional finance, streamline access and position it for catalysation of private capital	71
Strengthen the focus on climate results in MDB results architectures	72
Prioritise projects with tangible linkages to climate outcomes to promote transformational impacts, support just transition and strengthen monitoring	74
Measure MDBs’ joint contribution to creating an enabling environment for delivering NDCs and promoting private sector climate action	75
Reposition country engagement to facilitate “whole-of-system co-ordination” through country-led co-ordination mechanisms.	76

Annexes	79
Annex A: Documents Reviewed	80
Annex B: MDB Joint Statements	93
Annex C: Background – MDB Climate Change Strategies and Vertical Funds	96
Selection of MDB Climate Change Strategies and Action Plans	96
Background on Vertical Funds	97
Annex D: Stakeholders Interviewed	99
Annex E: Country Strategies	100

Figures, Tables & Boxes

Figure 1: Assumptions underlying MDB support to climate mitigation, adaptation, and resilience.	12, 26
Table 1: Organisations and MOPAN Assessments	27
Table 2: MOPAN micro-indicators	28
Table 3: Systematic Review Indicators	29
Box 1: The MDB Joint Statement at COP28	33
Box 2: Examples of Climate Mainstreaming Tools Across Institutions	37
Box 3: Examples of Innovative MDB Climate Instruments	40
Box 4: Creating an enabling policy environment for net-zero transition.	45
Box 5: World Bank Country Climate and Development Reports – A Case Study from Morocco	49
Box 6: The role of blended concessional finance in supporting just transition in South Africa	54
Box 7: Whole-of-institution approaches – good practices from the IDB Group	61
Box 8: MDB Scorecard Indicators (as of December 2023)	63
Box 9: the Egypt Water, Food and Energy Nexus	67
Box 10: Green Climate Fund Support to the Green Guarantee Company	72
Box 11: The World Bank’s Proposed Framework for Measuring Climate Results	73
Box 12: Future Options for a “whole of society” approach to results.	77

Abbreviations & Acronyms

ADB	Asian Development Bank	IFC	International Finance Corporation
AfDB	African Development Bank	IFI	International Financial Institution
AIMM	Anticipated Impact Measurement and Monitoring System	IPG	International Partners Group
CCDR	Country Climate and Development Report	JETP	Just Energy Transition Partnerships
CCF	Climate Change Fund	LIC	Low-Income Country
CCMM	CIF Capital Market Mechanism	LT-LEDS	Long-term low greenhouse gas emission development strategies
CIF	Climate Investment Funds	LTS	Long-term Strategy
COP	Conference of Parties	MDB	Multilateral Development Bank
CPF	Country Partnership Framework	MIC	Middle-Income Country
CPSD	Country Private Sector Diagnostic	MO	Multilateral Organisation
CSDR	Country Strategy Delivery Review	MOPAN	Multilateral Organisation Performance Assessment Network
CTF	Clean Technology Fund	MRV	Monitoring, Reporting and Verification
DAE	Direct Access Entity	MW	Megawatt
DELTA	Development Effectiveness Learning, Tracking and Assessment	NDC	Nationally Determined Contribution
DFI	Development Finance Institution	NWFE	Nexus for Water, Food and Energy
D-MRV	Digital Monitoring, Reporting and Verification	OECD	Organisation for Economic Cooperation and Development
EBRD	European Bank for Reconstruction and Development	RBCF	Results-based Climate Finance
FMTAAS	Funding Mechanism for Technical Assistance and Advisory Services	SCCF	Special Climate Change Fund
GCF	Green Climate Fund	SDG	Sustainable Development Goals
GEF	Global Environment Facility	SECAP	Social, Environmental and Climate Assessment Procedures
GET	Green Economy Transition	TOMS	Transition Objective Measurement System
GFANZ	Glasgow Financial Alliance for Net Zero	UN	United Nations
GHG	Greenhouse Gas	UNDP	United Nations Development Programme
IBRD	International Bank for Reconstruction and Development	UNFCCC	United Nations Framework Convention on Climate Change
IDA	International Development Association	USD	United States Dollar
IDB	Inter-American Development Bank	VF	Vertical Fund

EXECUTIVE SUMMARY

Climate action is urgent. The outcome of the first Global Stocktake recognises that human activities have undeniably caused global warming of 1.1°C and that climate change impacts are being felt across the globe, particularly by the most vulnerable. Greenhouse gas (GHG) emissions continue to rise and are expected to increase further.² The risks and projected impacts of climate change are increasingly complex and unpredictable and becoming more difficult to manage with every degree of warming. Left unmitigated, climate change could push 132 million more people into extreme poverty by 2030.³ The world's most vulnerable people will be disproportionately affected.⁴ Climate change is interlinked with a range of different development issues.

The COP28 Global Stocktake calls for scaled-up climate action. At COP28, in response to the worsening impacts of climate change globally the Global Stocktake called for accelerating emissions reductions significantly. Over 200 Parties endorsed “transitioning away from fossil fuels in energy systems in a just, orderly and equitable manner”, tripling investments in renewable energy, doubling the rate of energy efficiency improvements globally by 2030 and including phasing out of inefficient fossil fuel subsidies.⁵

Multilateral development banks, or MDBs, have an important role. MDBs have a unique comparative advantage in supporting net-zero transition, adaptation and resilience by providing solutions through their country- and client-driven business models. They provide solutions that include policy dialogue, knowledge and technical assistance, institutional capacity support, lending and guarantees. Together, these support the public infrastructure investment needed to achieve emissions reductions, promote an investment-enabling environment and mobilise private sector climate investment.⁶ In addition, they support adaptation and resilience across a broad range of sectors, reflecting the interconnectedness of climate and development. MDBs were called upon to scale up their climate action and to work more closely together as a system, in the context of their larger reform agenda.

The MDBs have responded to these calls to scale up climate action. In response to the COP28 Global Stocktake, ten MDBs issued a joint statement. They announced over USD 180 billion in new climate finance commitments through multi-year programmes and committed to increase climate finance further over the next decade, including by mobilising additional private capital. Furthermore, they committed to: (i) scale up their analytical support to countries to help them address climate change; (ii) strengthen in-country collaboration by, among other things, working as part of country-led co-ordination mechanisms; and (iii) increase their reporting on climate results through a harmonised approach.

² 12% between 2010 and 2019 alone – faster than during any other decade. See Intergovernmental Panel on Climate Change (2023) “AR6 Synthesis Report: Climate Change 2023” [AR6 Synthesis Report: Climate Change 2023 – IPCC](#); Intergovernmental Panel on Climate Change (2022) “Climate Change 2022: Impacts, Adaptation and Vulnerability” [Climate Change 2022: Impacts, Adaptation and Vulnerability | Climate Change 2022: Impacts, Adaptation and Vulnerability \(ipcc.ch\)](#)

³ World Bank Group (2020) “Revised Estimates of the Impact of Climate Change on Extreme Poverty by 2030” [World Bank Document](#)

⁴ [Ibid.](#)

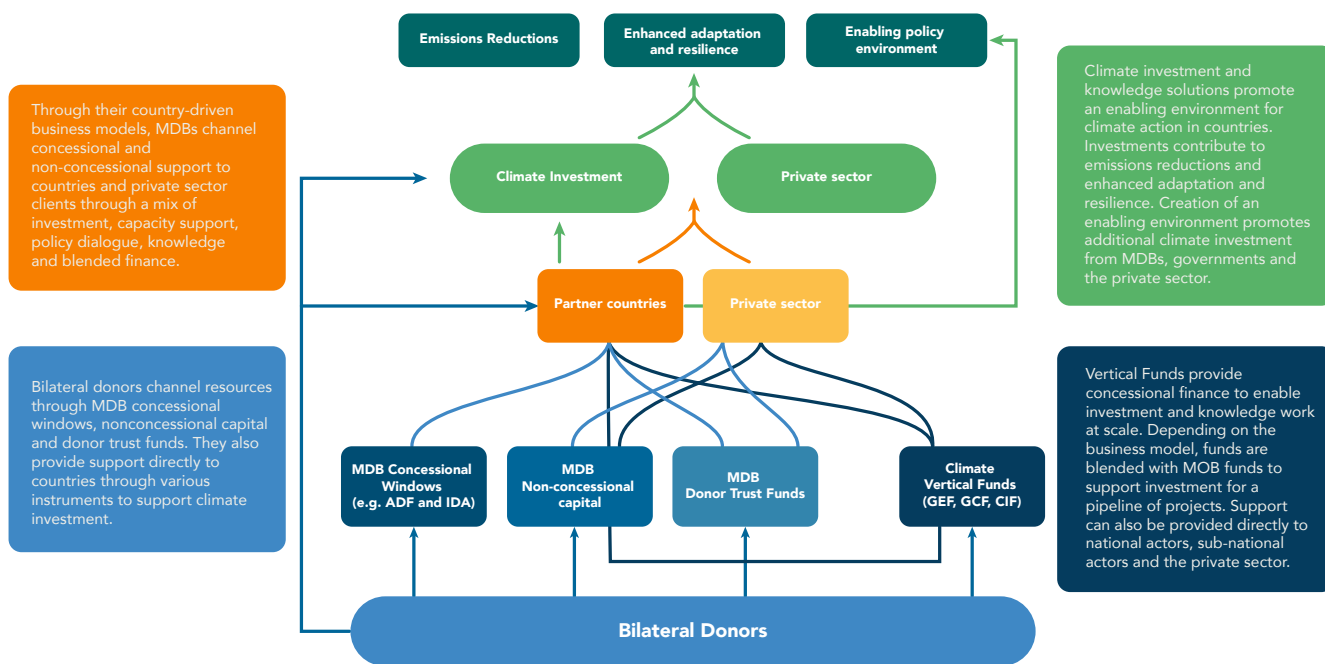
⁵ UNFCCC (2023) “Outcome of the First Global Stocktake” [Outcome of the first global stocktake. Draft decision -/CMA.5. Proposal by the President \(unfccc.int\)](#)

⁶ [Ibid.](#)

MOPAN, a network of 22 member countries with a shared concern for promoting the effectiveness of the multilateral system, regularly implements assessments and analytical work against a standard framework of indicators to assess how well multilateral organisations (MOs) are positioned to deliver inclusive, and sustainable development results in an efficient manner.⁷ This report aims to support dialogue and decision-making by taking a holistic look at the readiness of MDBs to deliver on the COP28 joint statement. This report draws upon eight MOPAN assessments of MDBs⁸ and previous analytical work on climate change⁹, alongside other evidence.

In the context of MDB reform, this report considers how MDBs and their shareholders can enhance the implementation of their joint commitments at COP28, building on the lessons from its assessments. It also provides considerations for MDBs to enhance delivery on their commitments based on good practices. Key assumptions underlying this assessment are presented in Figure 1.

Figure 1: Assumptions underlying MDB support to climate mitigation, adaptation, and resilience.



Source: MOPAN

⁷ European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](https://www.mopanonline.org/assessments/)

⁸ <https://www.mopanonline.org/assessments/>

⁹ "Lessons in Multilateral Effectiveness Reports on Climate Change" <https://www.mopanonline.org/analysis/items/lesson-sinmultilateraleffectivenessclimatechange.htm> and the response of multilateral organisations to COVID-19.

Efforts by MDBs to scale-up climate change action

Climate change is an important strategic issue for MDBs. MOPAN assessments have shown that MDBs have increasingly embedded climate change into their institutional missions and visions, creating the incentive to address climate mitigation, adaptation and resilience in operations. This trend reflects the importance attached to resilience and sustainable development results. For example, the new World Bank mission and vision to “end extreme poverty and boost shared prosperity on a liveable planet”.¹⁰ MDBs have also raised the ambition of their institutional climate change strategies to target a broader range of sectors and integrate climate change into national policies to yield transformative impacts.

MDBs’ climate finance has been scaled up significantly. The climate finance provided by MDBs has more than doubled since 2015 to USD 60.7 billion in 2022, with an increasing share (37%) going to fund adaptation.¹¹ Public sector entities continue to receive the vast majority of MDB climate finance for LICs and MICs (80.2% in 2022). A range of standalone and multi-donor trust funds provide the means for grants, guarantees and other risk-sharing instruments that support diagnostic work and help mobilise private capital. Blended concessional resources for climate have more than tripled since 2019.¹²

Efforts are underway to increase MDBs’ resource base to support climate investment. MDBs have played a leading role in developing and issuing proceeds-based green, blue, and disaster bonds, mobilising billions of dollars to support climate investment. They have also made notable progress in expanding usable capital for climate investment by adjusting their capital adequacy frameworks, identifying mechanisms for hybrid capital and implementing risk transfers to the private sector. For example, the European Bank for Reconstruction and Development (EBRD) and Asian Development Bank (ADB) have recently introduced key changes to their capital adequacy frameworks to expand their lending capacity.¹³

MDBs are mainstreaming climate considerations into their operations. Climate change teams have grown in size over time and they implement increasingly diverse activities. They engage country and sector teams to help integrate climate change considerations throughout operations. These teams also contribute to channelling concessional finance to scale up climate change action through donor trust funds and Vertical Funds (VF). They increasingly produce in-depth knowledge and diagnostics, such as the World Bank’s Country Climate and Development Report (CCDR), which help integrate climate change into country strategies and support the development of long-term low greenhouse gas emission development strategies (LT-LEDS - to be referred to as LTS)

¹⁰ World Bank Group (2023) “Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution” <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>

¹¹ European Bank for Reconstruction and Development (2023) “Joint Report on Multilateral Development Banks’ Climate Finance” <https://www.ebrd.com/documents/climate-finance/2022-joint-report-on-multilateral-development-banks-climate-finance.pdf>; By comparison, the [OECD reports](#) that total public climate financing through multilateral and bilateral channels was USD 89.6 billion in 2021.

¹² International Finance Corporation (2020) “DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint report” <https://www.ifc.org/content/dam/ifc/doc/mgrt/dfi-blended-concessional-finance-working-group-joint-report-october-2019-v13-report.pdf>; European Investment Bank (2023) “DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report” [2022-dfi-bcf-working-group-joint-report.pdf \(eib.org\)](https://www.eib.org/~/media/DFI-Working-Group-on-Blended-Concessional-Finance-for-Private-Sector-Projects-Joint-Report-2022-DFI-BCF-Working-Group-Joint-Report.pdf)

¹³ MOPAN (2024) “MOPAN Assessment – EBRD” (forthcoming); [New Capital Adequacy Framework | Asian Development Bank \(adb.org\)](#)

Mainstreaming approaches have also matured. Climate and disaster risk screening (CDRS) and GHG accounting help promote the consideration of climate impacts and hazards in new investments and planning. Biodiversity risks are considered through environmental and social risk management and new joint nature-positive finance principles. For private sector operations, project selection tools help prioritise projects likely to yield climate change results. MDBs have made progress toward Paris-alignment for all new operations and guarantees, identifying common principles for Paris-alignment assessments. This also helps mainstream climate adaptation considerations.

New instruments are being used in innovative ways. For example, contingent disaster financing, the World Bank's results-based financing, and debt-for-climate swaps are being applied increasingly to enable countries to respond to climate disasters, promote an enabling environment for climate action and address climate change risks and opportunities in tight fiscal environments. Support for Monitoring, Reporting and Verification (MRV) is helping countries to scale climate action through emissions trading schemes such as carbon markets.¹⁴

The MDBs have enhanced their collaboration with the UN and other development partners through a wide range of global, regional, and national partnerships. These partnerships bring together developed and developing countries, UN entities, MDBs and philanthropies to help raise the quality and ambition of countries' National Direct Contributions (NDCs), mobilise resources and support implementation. Co-ordination runs through arrangements such as the UNDP Global Climate Promise, the NDC Partnership, the Global Partnership for Oceans and the Africa NDC Hub. However, as MOPAN's 2021 climate change study noted, these partnerships are quite fragmented and can strain limited national resources and absorptive capacity.¹⁵

MDBs have been working through country-led co-ordination mechanisms increasingly in recent years. Government-led partnerships at country level are providing a different model for addressing interconnected climate and development challenges. MDBs are among the key partners of emerging Just Energy Transition Partnerships (JETPs) in South Africa, Indonesia, Viet Nam, and Senegal among others.¹⁶ These partnerships scale up resources to support transition away from fossil fuels while addressing social impacts and crowding in private investment. Egypt's Nexus for Water, Food and Energy provides an alternative model, led by the government alongside a group of multilateral partners leading different sector activities.¹⁷

MDBs are likely to face challenges in delivering on the COP28 Joint Statement. Despite the progress that has been achieved, delivering on their joint commitments at COP28 will require the MDBs to adjust their ways of working to address long-standing institutional weaknesses. This paper describes the gaps in MDBs' readiness to scale up their contribution to transformative climate results and identifies practical considerations for the MDBs, building on good practice.

MDB reform is an important opportunity. In the coming years, multiple MDBs will be seeking both to replenish funds or to increase capital and implement changes to their institutional strategies. This presents a real opportunity for their shareholders to advocate for key institutional changes, create important incentives to change their ways of working, and address systemic challenges with targeted policy priorities and commitments.

¹⁴ World Bank (2022) "Climate Explainer: What You Need to Know About the Measurement, Reporting, and Verification (MRV) of Carbon Credits" [Climate Explainer: MRV \(worldbank.org\)](https://www.worldbank.org/en/press/2022/04/28/climate-explainer-mrv)

¹⁵ MOPAN (2021) "Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change" <https://www.mopanonline.org/analysis/items/lessons-in-multilateral-effectiveness-climate-change.htm>

¹⁶ International Institute for Sustainable Development (2022) "Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy" [Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy | International Institute for Sustainable Development \(iisd.org\)](https://www.iisd.org/publications/2022/04/28/just-energy-transition-partnerships)

¹⁷ Government of Egypt (2022) "Joint Statement – Egypt's Country Platform for NWFE Programme"

Despite the progress made, MDBs continue to face challenges in accelerating the transition from climate finance to climate results, particularly relating to their role in creating enabling environments, channelling resources, mobilising private investment and working together as a system.

MDBs have difficulty demonstrating how their knowledge work, institutional capacity support and policy dialogue contribute to creating an enabling environment.

An enabling policy and regulatory environment is essential for delivering on national mitigation and adaptation objectives. There has been insufficient progress in strengthening NDCs and creating an enabling environment for their implementation to deliver on the Paris Agreement goals. The scope and ambition of NDCs have improved over time, including making long-term strategies (LTS) available to support implementation;¹⁸ however, they must be better integrated into national planning to ensure that the commitments to achieve specific/measurable emissions reductions are delivered and supported by credible financing and implementation arrangements.¹⁹

MDBs support development and strengthening of NDCs and LTS through their country engagement. MDBs provide knowledge, analytical support, institutional capacity development, policy dialogue and project and pipeline preparation support to help create an enabling environment for implementation, while also supporting critical policy actions such as the implementation of emissions trading schemes, support for research and development, and the elimination of fossil fuel subsidies.²⁰

But MDBs are not able to demonstrate how they contribute to transformative climate reform over time. Results-measurement remains short-term and output-driven, whereas actual uptake to inform policy may take years. Policy-based lending can play an important role, but it is difficult to monitor how funds provided align to climate goals and does not reflect the enforcement or effectiveness of new policies over time. Country-level results frameworks do not typically capture policy outcomes. Opportunities to deliver this work in partnership are rarely identified, which contributes to overlaps and lack of coherence among MDBs at the country level.

MDBs need to better demonstrate their contribution to climate action. New tools such as the World Bank's CCDR could support more co-ordinated action and plays a role in consolidating knowledge among partners. The new Joint MDB LTS Platform, announced as part of the MDBs' COP28 Joint Statement, is likely to play an important role, but opportunities to engage the UN and other partners should be considered.²¹ Delivering climate knowledge, analytics and capacity support through programmatic approaches is an important opportunity going forward.

¹⁸ UNFCCC (2023) "2023 NDC Synthesis Report" [2023 NDC Synthesis Report | UNFCCC](#)

¹⁹ Ibid.

²⁰ OECD (2023) "Climate Finance Provided and Mobilised by Developed Countries in 2013-2021: Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance" [Climate Finance Provided and Mobilised by Developed Countries in 2013-2021 : Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance | Climate Finance and the USD 100 Billion Goal | OECD iLibrary \(oecd-ilibrary.org\)](#)

²¹ European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](#)

Concessional climate finance is fragmented, resulting in transaction costs for MDBs and missed opportunities to catalyse investment.

Concessional finance from public sources is critical in supporting climate mitigation, adaptation and resilience. This is especially true when it comes to adaptation and resilience activities that have no clear revenue streams. Concessional resources help address policy and regulatory bottlenecks for climate action and support mobilisation private climate investment through pipeline development and risk transfer. Partnerships among donors, MDBs, and Vertical Funds are essential for supporting channelling, for scaling, and for avoiding fragmentation.

Climate adaptation and mitigation finance for developing countries is still fundamentally inadequate. To address the goals of the Paris Agreement, especially as LICs contend with increasingly unsustainable debt levels, will require more than four times the current levels of concessional financing by 2030.²² MDBs must continue to leverage concessional resources with hybrid financial models, such as the IDA International Development Association (IDA) hybrid model, and ensure that concessional resources that are provided through trust funds and VFs are channelled efficiently and selectively.

Donor trust funds are still highly fragmented. Over 50 individual and multi-donor trust fund mechanisms address various aspects of climate mitigation and adaptation. Their external approval structures can introduce a wide range of administrative requirements, transaction costs, and unpredictability. Although some MDBs have tried to consolidate their donor trust funds, these efforts are still nascent across many institutions.

Vertical Funds play a critical role in financing transformational projects and catalysing investment. VFs provide over 84% of all concessional financing accessed by MICs and remain crucial for supporting climate mitigation.²³ They also provide a critical pool of funds to support adaptation and resilience among the countries most vulnerable to climate change impacts. They yield demonstration effects for innovative technology and support pipeline development in challenging sectors. Their robust evaluation and learning functions identify important lessons that can be applied at scale to better address complex climate change issues. They can make collaboration among the MDBs easier: for example, the Climate Investment Funds (CIF) works through six MDBs using a country-led programme approach that facilitates deeper co-ordination.

Collaboration with VFs can be challenging for MDBs. VFs' governance models can be more or less complex. Models that facilitate ownership, inclusion and engagement across a large number of member states can come with important trade-offs. Heavy processes can lead to high transaction burdens and run counter to the growing pressures being put on MDBs to enhance their internal efficiency.²⁴ For some VFs, having multiple partners makes it challenging to implement tailored processes, which leads to duplication. As a result, MDBs can be reluctant to engage with some VFs in some circumstances. Other partners can also face barriers created by heavy, complex processes: the countries most vulnerable to climate impacts are not the ones that receive the most adaptation finance from VFs, for example.²⁵

VFs and MDBs could better position themselves to jointly catalyse and mobilise finance. VFs support technology uptake and pipeline development in challenging sectors to generate bankable projects. Whereas concessional support from VFs often helps blend investments in renewable energy – and the

²² Bhattacharya A, Songwe V, Soubeyran E and Stern N (2023) "A climate finance framework: decisive action to deliver on the Paris Agreement – Summary" [A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf \(lse.ac.uk\)](https://www.lse.ac.uk/Programme/Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf)

²³ Lee, Landers and Matthews (2023) "Concessional Climate Finance – Is the MDB Architecture Working?"

²⁴ The G20 Independent Expert Group (2023) "The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs; Independent High-Level Expert Group on Climate Finance (2022) "Finance for Climate Action – Scaling Up Investment for Climate and Development"

²⁵ Ibid.

need for this support continues – there are opportunities to expand upstream support for other sectors where MDBs and the private sector cannot yet engage. Currently, grants comprise over 80% of support from VFs, which limits opportunities for mobilising finance and reducing reliance on replenishments.²⁶ Guarantees have a strong potential to scale up investment, but they remain relatively under-utilised.²⁷

MDBs are not working systematically through a “whole-of-institution” approach to mobilise private climate finance.

Private climate finance will have to be mobilised at scale to meet the Paris Agreement objectives. At 16.1% in 2021, private climate finance represents only a small share of the overall climate finance. Moreover, these levels have stagnated since 2017.²⁸ What’s more, private climate finance remains concentrated in climate mitigation projects in MICs with stronger investment environments – accounting for 67% of all private climate finance mobilised – while LICs and Small Island Developing States account for just 5% and 1% respectively.²⁹ The international community has repeatedly called on MDBs to create an enabling investment environment using technical assistance, blended finance, guarantees and de-risking instruments, a key channel through which they contribute to mobilising private investment.

Mobilising private investment for climate adaptation, including among LICs and LDCs that need it most, has been especially challenging. Adaptation projects are smaller, more fragmented and often do not have the necessary revenue streams to attract private investment.³⁰ Creating an enabling environment for investment through complementary public and private sector engagement remains essential in scaling up private sector support for adaptation alongside other climate change issues.

Most MDBs have sought to implement “whole-of-institution” approaches but these remain inadequate. The sine quo non for mobilising private climate investment is a conducive investment environment. Through their sovereign operations, MDBs engage governments to promote policy reforms that enable private investment, including to address climate change. Through their non-sovereign operations, MDBs engage the private sector to support private investment and mobilise private capital. Because private investment depends on the availability of bankable projects, there is a need for coherence: public sector activities need to help remove constraints to investment and adapt to emerging opportunities.

“Whole-of-institution” approaches help create synergies between MDBs’ public and private sector operations to scale up investment.³¹ At the country level, MDBs have tried to develop country strategies that reflect both public and private sector development perspectives. At the project level, the World Bank Group’s Cascade Approach directs teams to consider whether a potential project could be delivered through the private sector, including by enhancing the investment environment.³² Implementation of these approaches has advanced to different degrees across the MDBs.

²⁶ Ibid.

²⁷ The G20 Independent Expert Group (2023) “The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs”

²⁸ OECD (2023) “Climate Finance Provided and Mobilised by Developed Countries in 2013-2021” [e20d2bc7-en.pdf](https://www.oecd-ilibrary.org/e20d2bc7-en.pdf) ([oecd-ilibrary.org](https://www.oecd-ilibrary.org))

²⁹ OECD (2022) “Climate Finance Provided and Mobilised by Developed Countries in 2016-2020 - Insights from disaggregated analysis” <https://www.oecd-ilibrary.org/docserver/286dae5d-en.pdf?expires=1694954855&id=id&accname=o-cid84004878&checksum=8362EF873D497FBFF8F6DCDE04569856>

³⁰ Ibid.

³¹ The G20 Independent Expert Group (2023) “The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs; Independent High-Level Expert Group on Climate Finance (2022) “Finance for Climate Action – Scaling Up Investment for Climate and Development”

³² World Bank (2018) “Optimising Finance for Development” [Optimizing finance for development \(worldbank.org\)](https://www.worldbank.org); Independent Evaluation Group (2023) “The World Bank’s Approaches to Mobilize Private Capital for Development” [The World Bank Group’s Approach to the Mobilization of Private Capital for Development](https://www.worldbank.org)

Institutional incentives currently work against “whole-of-institution” approaches. Where they do exist, they are often not implemented systematically. Save for MDBs that work predominantly with the private sector, corporate scorecards and country-level results frameworks rarely reflect whatever progress is made in promoting private climate investment. The significant differences in the processes and incentives underlying public and private sector operations thwarts greater coherence. Furthermore, there are only limited feedback loops for adjusting country strategies in light of a dynamic investment context.³³ Private capital mobilisation is rarely reflected in corporate scorecards and country-level results frameworks.³⁴ Organisations like the IDB are seeking to scale up examples of good practice and apply them more systematically through their updated institutional strategies.

MDBs report on climate finance and intentions rather than achieved climate results.

MDBs have focused primarily on measuring the scale of climate finance. Even through the scale of MDB climate finance has increased, it is unclear how it has contributed to results. This is partly because climate finance is fragmented across a range of activities that may have no tangible climate mitigation and adaptation outcomes. Highly fragmented MDB corporate scorecards reflect a wide range of indicators for climate mitigation, adaptation, and resilience, reporting based largely on outputs and “beneficiary reach” rather than on outcomes. Similarly, country-level results frameworks often do not reflect climate outcomes. Where corporate scorecards do reflect climate outcomes, these measures are ex-ante and are not revisited after projects are implemented.

MDBs have not created a credible results architecture to monitor and report on their climate mitigation, adaptation, and resilience results. Some projects labelled as having climate finance include no climate-related indicators in their results frameworks, which creates significant gaps in evidence. The emphasis on ex-ante reporting provides only a limited incentive for consistent monitoring and follow-up during implementation. MDBs’ self-evaluation tools and reporting at country-level are often streamlined to promote compliance and do not reflect sustainable outcomes.

Evaluations play an important role in assessing MDBs’ contribution to climate outcomes in countries. Climate action is fundamentally linked to country contexts and priorities. Country-level evaluations are particularly important for reflecting on adaptation results because these are context-specific and intrinsically linked to broader development challenges. When the coverage of country-level evaluations is limited, opportunities to demonstrate contributions to transformative impacts over time are missed. Many MDBs do not implement country-level evaluations on a large scale. In other MDBs, the evaluations that have been implemented tend to face challenges due to weaknesses in project-level data.

³³ MOPAN (2023) “Institutional Assessment Report – International Finance Corporation” [MOPAN | Multilateral Organisation Performance Assessment Network \(mopanonline.org\)](https://mopanonline.org/)

³⁴ IFC and EBRD are important exceptions to this. OECD (2023) “Scaling Up the Mobilisation of Private Finance for Climate Action in Developing Countries Challenges and Opportunities for International Providers” [Scaling Up the Mobilisation of Private Finance for Climate Action in Developing Countries : Challenges and Opportunities for International Providers | Green Finance and Investment | OECD iLibrary \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/)

MDBs are not optimally positioned to work together as a system through government-led co-ordination mechanisms

MDBs have been called upon to work more closely together as a system. The OECD and the International Partners Group have called upon MDBs to work together coherently and systematically through “whole-of-society” mechanisms. The Heads of MDBs have likewise committed to enhancing country-level collaboration, including working through “country-led programmes”.³⁵ The MDB Joint Statement at COP28 also features more intensive, integrated country-level collaboration to address climate change and other development challenges.

Recently established country-led co-ordination mechanisms are providing a new model for engagement. They add value by mobilising concessional finance at scale alongside support from MDBs, other development partners, and the private sector.³⁶ MDBs are participating increasingly in Just Energy Transition Partnerships (JETPs) to help countries accelerate their transition away from coal energy while addressing potential social impacts. Other government-led models, such as the Egypt Food, Water and Energy Nexus, are providing a different model for accelerating climate mitigation and adaptation across different sectors.³⁷ Both approaches are grounded in strong national ownership and whole-of-society co-ordination, which are key determinants of their success.³⁸

Expanding a country-led programme approach faces real challenges. MOPAN’s previous analytical work has found that the presence, functioning, and government ownership of these mechanisms are highly uneven.³⁹ MOPAN assessments also indicate that MDB partner engagement at country level outside of government remains relatively ad hoc. Greater MDB co-ordination through country-led co-ordination mechanisms requires an agile approach but few MDBs have clear processes to assess progress and adjust country strategies and operations accordingly as the context changes. Institutional incentives are still grounded in investments rather than in co-ordination and limited country presence and resources strain the ability of some MDBs to co-ordinate with certain partners.

There are significant challenges for these mechanisms to promote “whole-of-system” and “whole-of-society” approaches. There is an additional challenge in establishing platforms that facilitate co-ordination across the MDBs, the UN, bilateral partners, and the IMF. These organisations all have different entry points to national governments and work in different ways. The CIF and the GCF are playing more and more of a role in various JETPs, providing a means of driving for system-wide co-ordination.

³⁵ Asian Infrastructure Investment Bank (2023) “Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact” [Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact - News - AIIB](#)

³⁶ Rockefeller Foundation (2024) “Scaling the JETP Model: Prospects and Pathways for Action” [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf \(rockefellerfoundation.org\)](#); ODI (2022) “Country Platforms for Climate Action: Something borrowed, something new?” [odi.cdn.ngo/media/documents/ODI_Emerging_analysis_Country_platforms_for_climate_action.pdf](#)

³⁷ Government of Egypt (2022) “Joint Statement – Egypt’s Country Platform for NWE Programme”

³⁸ Energy Transition Partnership (2023) “JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam” [20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx \(energytransitionpartnership.org\)](#)

³⁹ MOPAN (2023) “Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19” <https://www.mopanonline.org/analysis/items/lessons-in-multilateraleffectiveness-covid-19.htm>

Joint project monitoring and co-financing is still the exception. Co-financing across the MDBs remains limited and bureaucratic. Greater streamlining and harmonisation for internal processes and systems and critical functions such as procurement are needed.⁴⁰ Instruments have been introduced to make co-financing easier, but co-financing among MDBs and institutional incentives remain limited.⁴¹ In addition to streamlining processes for co-financing, MDBs also need to harmonise how they support upstream work to create an enabling environment, which is particularly important for supporting just transition.⁴²

Country-led co-ordination mechanisms require greater harmonisation in allocating grants and blended finance. In the early stages of the JETPs, for example, enabling activities, capacity development and addressing the social impacts of transition need to be prioritised. As project pipelines become available, donors' different standards, approaches and documentation requirements can increase transaction burdens and create barriers for private investment.⁴³ There is a need for greater use of programmatic approaches and frameworks to streamline the provision of blended finance.

Considerations for MDB Reform: Scaling-up good practices to accelerate net-zero transition, build resilience, and adapt to climate change impacts.

In light of the gaps that have been identified, MOPAN proposes five key considerations for the ongoing reform of MDB institutional structures and processes.

1. Scale-up concessional finance, streamline access, and emphasise catalysation.

In addition to maximising replenishments of large-scale concessional windows such as IDA, shareholders should support MDBs in streamlining the management of donor trust funds and identifying more streamlined, harmonised processes that limit transaction costs. Framework approaches to blended finance should be applied more broadly to enhance efficiency.

Shareholders should support VFs in continuing to streamline and harmonise their processes, including identifying opportunities for collaboration and complementarity. Where possible, these efforts should identify the means to further align processes with the systems of implementing partners, adopting a risk-based approach to avoid process duplications, and benchmarking against partner timelines. The use of instruments building on the financial frameworks and support offered by MDBs, including portfolio-level and project-level guarantees, should be expanded.

VFs play an essential role in supporting new technologies and pipeline development for adaptation and in sectors without pipelines of bankable projects. Where possible, these activities should be prioritised to promote catalytic results.

2. Strengthen the focus on climate results in the results architecture of all MDBs.

At COP28, the MDBs committed to harmonise their corporate scorecard indicators and position themselves to increasingly report on results. In implementing new approaches, MDBs should consider (i) the extent to which projects achieve their intended results, (ii) the extent to which results are being achieved in the highest emitting and most vulnerable countries; and (iii) climate change results across different sectors, rather than aggregated emissions reductions. This would create incentives for deepening climate

⁴⁰ The G20 Independent Expert Group (2023) "The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs

⁴¹ [Parallel Loans | International Finance Corporation \(IFC\)](#)

⁴² Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf \(rockefellerfoundation.org\)](#); Energy Transition Partnership (2023) "JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam" [20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx \(energytransitionpartnership.org\)](#)

⁴³ Ibid.



action across different sectors to reflect “whole of economy” progress.⁴⁴ The MDBs can also jointly reflect on the extent to which country partners’ overall public investment is aligned with long-term low-carbon development pathways.

Given that climate change targets reflect each country’s unique context and circumstances, evaluation plays an important role in demonstrating contribution to transformative impacts. Ex-post country level evaluation should be strengthened and re-positioned to focus on MDBs’ contribution to the changes over time and beyond discrete strategy periods and identify lessons for future operations. Enhancing project-level data collection will play an important role.

3. Enhance project selection and prioritise projects with tangible linkages to climate outcomes and transformative impacts.

Systems such as Anticipated Impact Measurement and Monitoring System (AIMM), Development Effectiveness Learning, Tracking and Assessment (DELTA) and Transition Objective Measurement System (TOMS) help identify private sector operations that have tangible linkages to climate impacts based on sector theories of change. These systems also assess potential market-level project impacts, identifying those more likely to contribute to transformational changes. Expanding this approach to all projects – focused on climate – could create incentives to prioritise and scale up transformational approaches. These systems also facilitate results measurement throughout implementation, providing a foundation for reporting on climate results over time.

As these systems also address factors such as gender and economic inclusion, they could help MDBs examine inter-connections between climate change benefits and other development challenges such as gender and inclusion. Combining data in this way would be particularly relevant for assessing projects’ potential contributions to a just transition.

⁴⁴ World Bank Group (2023) “Measuring Climate Impact: A Draft Approach for Going from Inputs to Outcomes” [Measuring Climate Impact: A Draft Approach for Going from Inputs to Outcomes \(worldbank.org\)](https://www.worldbank.org/)

4. Measure MDBs' joint contribution to creating an enabling environment for climate mitigation, adaptation and resilience and private sector climate action.

MDBs should apply existing approaches from climate and other sectors to measure progress over time in promoting an enabling policy environment and supporting partner co-ordination, building on existing tools. Examples include:

- ➔ The Public Expenditure and Financial Accountability Framework (PEFA)⁴⁵ assesses the extent to which analytical, advisory and capacity support is yielding genuine changes in institutional capacity, processes and behaviour and supports joint planning;⁴⁶
- ➔ OECD's Climate Actions and Policy Measurement Framework (CAPMF)⁴⁷ provides a comprehensive, harmonised database of climate policy actions and enables policy makers to identify how to expand and strengthen the effectiveness of climate mitigation policies; and
- ➔ the World Bank's Climate Change Institutional Assessment (CCIA)⁴⁸ provides a structured assessment of national institutional frameworks for climate change governance in critical areas.

Country strategies and corporate scorecards should better reflect outcomes linked to promoting an enabling environment, including indicators assessing the mobilisation of private sector climate finance.

5. Reposition country engagement to facilitate country-led co-ordination mechanisms and "whole-of-system" co-ordination.

MDBs should identify clear standards and institutional incentives for ongoing country-level co-ordination with partners. This would include more agile means of adapting country programmes and operations as the context changes and implementing more flexible, programmatic approaches. Joint monitoring and joint analytics, including regular updating of CCDRs, should be prioritised and more clearly defined processes and requirements should support their use. Beyond facilitating deeper MDB co-ordination, these approaches should consider how to strengthen partnerships with other development actors, including the United Nations, to promote a more coherent "whole-of-society" approach and reduce fragmentation.

The means of providing concession finance should be harmonised among partners at country-level to ensure that critical upstream support dependent on these resources are consistently given priority. In particular, means of harmonising processes to facilitate co-ordination with other partners such as Vertical Funds and United Nations entities needs to be considered. Co-financing, including for upstream support, needs to be scaled up and made more streamlined. This could be further supported by further harmonising key institutional processes across the MDBs and renewing the emphasis on strengthening and using country systems.

⁴⁵ [Homepage | Public Expenditure and Financial Accountability \(PEFA\)](#)

⁴⁶ To apply the PEFA approach there would first need to be agreement on the characteristics, components and pillars or areas that would need to be assessed to determine the capacity of a country to deliver on their net-zero agenda. This would also be context-specific.

⁴⁷ OECD (2022) "The Climate Actions and Policies Measurement Framework: A structured and harmonised climate policy database to monitor countries' climate action" [The climate actions and policies measurement framework: A structured and harmonised climate policy database to monitor countries' mitigation action | en | OECD](#); OECD (2023) "The Climate Action Monitor: Providing information to monitor Progress toward net zero" [60e338a2-en.pdf \(oecd-ilibrary.org\)](#)

⁴⁸ World Bank Group (2021) "Climate Change Institutional Assessment" [World Bank Document](#)

INTRODUCTION



MOPAN is a network of 22 member countries with a shared concern for promoting the effectiveness of the multilateral system. It implements assessments and analytical work against a standard framework of indicators to assess multilateral organisations' (MOs) organisational effectiveness, considered in terms of their positioning to deliver relevant, inclusive, and sustainable development results in an efficient manner. MOPAN's analytical work and cross-cutting analytical work support dialogue, decision-making and the uptake of good practices to promote a more effective multilateral system. MOPAN also identifies lessons to strengthen its own assessment framework and approach.

MOPAN assessments examine the extent to which MOs have put into place structures and processes to address global themes in line with the 2030 Sustainable Development Agenda. Climate change and environmental sustainability are among those core themes addressed, including the extent to which climate change is reflected in MOs' corporate commitments, policies, strategies, accountability frameworks and operations and is supported by human and financial resources. The assessments provide a unique opportunity to draw lessons from the multilateral system's response to these global challenges. The assessments inform MOPAN members' governance of MOs and decision-making by senior management.

This Lessons in Multilateral Effectiveness report responds to two trends for multilateral development: (i) the imperative to scale up implementation of the Paris Agreement, reduce emissions and avoid the most catastrophic impacts of climate change; and (ii) ongoing dialogue around the reform of MDBs' country-driven business models to better address global themes, including climate change.

The report builds on a previous *Lessons in Multilateral Effectiveness Reports on Climate Change*, which provided an overview of how MDBs and UN agencies were working to address climate change in line with the Paris Agreement and SDG13. It also provides a synthesis of findings and lessons from eight completed and ongoing MOPAN assessments.⁴⁹ Building upon this evidence, it considers how the MDBs have responded to climate change and identifies emerging challenges and lessons for delivery on the MDB Joint Statement at COP28.⁵⁰

This report is intended to support dialogue and decision-making, thereby contributing to the reform of Multilateral Development Banks (MDBs) and the multilateral response to climate change. The synthesis aims to identify relevant considerations for the evolution and optimisation of MDB business models, particularly with respect to scaling up climate finance to demonstrating climate mitigation and adaptation results.

⁴⁹ These include completed and ongoing assessments of the African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB), IDB Invest, International Finance Corporation (IFC), International Fund for Agricultural Development (IFAD), and the World Bank (International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD)). All completed reports are available at <https://www.mopanonline.org/assessments/>

⁵⁰ European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](https://www.eib.org/en/press/2023/09/cop28-multilateral-development-banks-boost-joint-action-on-climate-and-development)

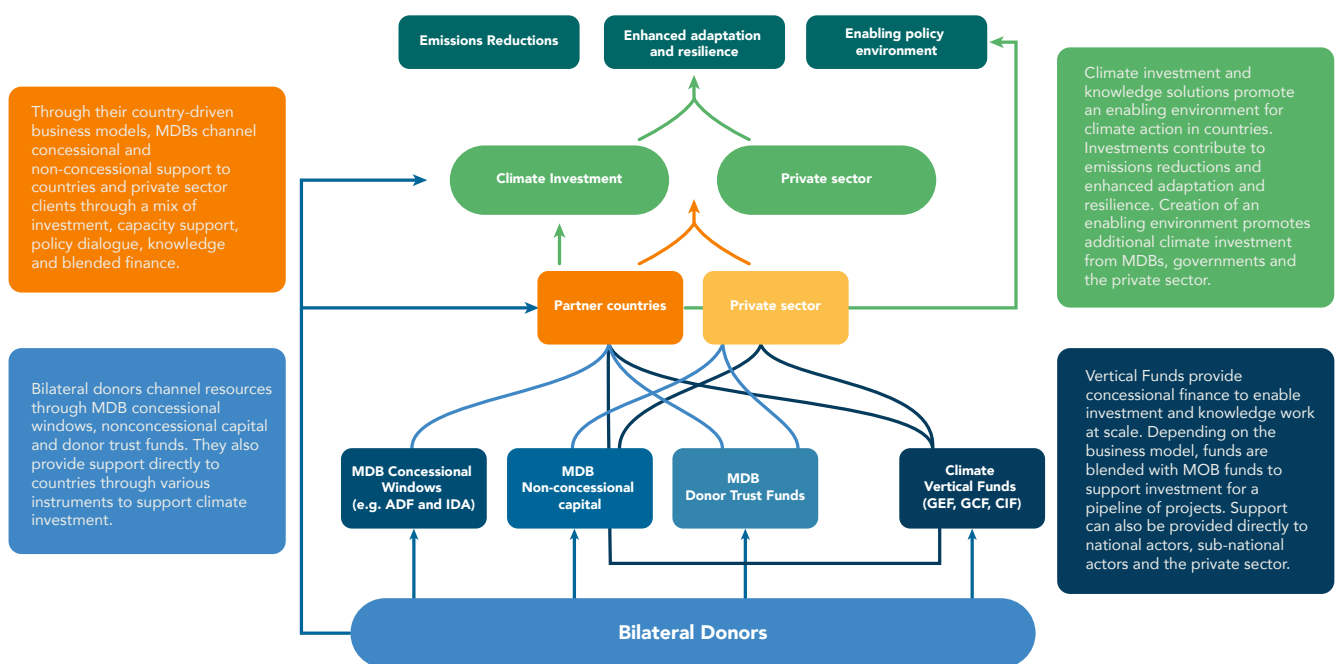
METHODOLOGY

Image credit: Science in HD, Unsplash

This study synthesises lessons from MOPAN assessments and analytical studies to reflect upon the progress achieved by MDBs in supporting the multilateral response to climate change and their readiness to deliver on commitments in their joint statement at COP28.

In doing so, the report examines how MDBs work with partner countries, bilateral donors, and Vertical Funds (VFs) to promote enabling environments for climate action and deliver climate results. The approach builds upon a model that lays out how these partners work together to contribute to emissions reductions, climate adaptation and resilience (Figure 1).

Figure 1: Assumptions underlying MDB support to climate mitigation, adaptation, and resilience.



Source: MOPAN



Lines of Evidence

This report builds upon evidence from completed or ongoing MOPAN assessments of MDBs and Climate VFs (Table 1). Primarily, it addresses how MDBs have supported climate change adaptation, mitigation, and resilience and looks at how Climate VFs work with MDBs to catalyse climate finance.

Table 1: Organisations and MOPAN Assessments

Organisations	Assessments
International Development Association / International Bank for Reconstruction and Development (IDA / IBRD)	Latest MOPAN assessment completed April 2023.
International Finance Corporation (IFC)	Latest MOPAN assessment completed January 2024.
African Development Bank Group (AfDB)	Latest MOPAN assessment completed February 2023.
Inter-American Development Bank (IDB)	Latest MOPAN assessment completed September 2023.
IDB Invest	Latest MOPAN assessment completed September 2023.
Asian Development Bank (ADB)	Current assessment ongoing; previous assessment completed in August 2019.
European Bank for Reconstruction and Development (EBRD)	Current assessment ongoing. Due for completion in June 2024.
International Fund for Agricultural Development (IFAD)	Latest MOPAN assessment completed February 2024.
Global Environment Facility (GEF)	Current assessment ongoing; previous assessment completed in May 2019.

The findings of this report are based on triangulation across 4 lines of evidence: i) a document and literature review of over 200 evaluations, reports and institutional documents; (ii) interviews with 30 stakeholders from the institutions; (iii) cases that provide examples of good practice, and (iv) a structured review of 40 Country Strategy documents from the MDBs covered.

Approach

First, evidence and gaps from MOPAN assessments were consolidated, covering selected KPIs and elements in the MOPAN framework (Table 2). This review helped define the issues to be examined further. MOPAN's analytical work on the multilateral system response to climate change⁵¹ and the multilateral response to the COVID-19 pandemic also helped identify key issues.⁵²

Table 2: MOPAN micro-indicators

Micro-Indicator	Description
2.2	Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for environmental sustainability and climate change.
6.2	Partnerships are based on an explicit statement of comparative or collaborative advantage (i.e., technical knowledge, convening power/partnerships, policy dialogue/advocacy).
6.4	Strategies or designs identify and address synergies with development partners to encourage or leverage/make catalytic use of resources and avoid fragmentation in relation to 2030 Sustainable Development Agenda implementation.
6.9	Use of a knowledge base to support policy dialogue and/or advocacy.
9.3	Interventions assessed as having helped improve environmental sustainability/tackle the effects of climate change.

Complementing the evidence from MOPAN assessments, documentary evidence from the targeted organisations – evaluations and policy and strategy documents – and external evidence and reviews were taken into consideration. This included work produced by the Organisation for Economic Cooperation and Development (OECD) and the G20 Independent Expert Group. In total, more than 200 documents were reviewed.

In addition, interviews with 30 stakeholders from the targeted organisations were conducted to confirm the relevance of the issues raised by the synthesis and to get feedback about how each organisation is addressing climate change adaptation, mitigation, and resilience (See Annex D).

Further, a purposive sample of 40 Country Strategy documents from the eight MDBs covered in this report was identified to reflect operations in different geographic regions and countries. Country strategies developed after 2020 were emphasised to reflect emerging trends in the multilateral response to climate change. Where possible, countries were selected in which multiple MDBs have an active portfolio to identify instances of overlap, evidence that co-ordination was not occurring as it should.

The sample was examined to identify how the Country Strategy (CS) documents reflect the study's key issues (Table 3), See Annex E, Country Strategies, for additional detail.

⁵¹ MOPAN (2021) "Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change" <https://www.mopanonline.org/analysis/items/lessonsinmultilateraleffectivenessclimatechange.htm>

⁵² MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19"

Table 3: Systematic Review Indicators

Study Issue	Indicators covered in Country Strategy (CS) document review
MDB response to climate change	CS describes adaptation and mitigation needs and challenges. Support for identifying/delivering NDCs and LTS is foreseen.
Promoting an enabling environment	CS identifies key policy enabling environment issues. CS identifies knowledge products linked to policy goals. CS identifies policy outcomes linked to enabling environment.
Mobilising private climate finance	identifies private sector enabling environment issues. CS identifies private sector enabling actions. CS identifies private climate investment results.
Country-level co-ordination	CS identifies partner engagement in the country. CS identifies plans for co-financing/collaboration on knowledge and policy dialogue. CS identifies partnership outcomes/co-financed operations.
Measuring and reporting climate results.	CS identifies output and outcome-level indicators for climate mitigation. CS identifies output and outcome-level indicators for climate adaptation.

Lastly, MOPAN engaged with the different MDB partners to identify cases of good practice to provide more tangible examples of emerging lessons. This included additional documentary evidence and engagement with different partners. These are mentioned throughout the synthesis report.

Limitations

This synthesis reflects MOPAN's mandate to focus on the processes and systems through which MDBs seek to deliver on their climate commitments and builds on existing evaluative evidence. It has two main limitations as a result:

- ➔ As a synthesis of MOPAN's work across the MDBs, it could not include three organisations that have not been or are not being assessed: the Multilateral Investment Guarantee Agency (MIGA), the European Investment Bank (EIB) and other development finance institutions (DFIs).
- ➔ This assessment is not an evaluation. It does not assess the overall effectiveness of MDBs in responding to climate change. It does not apply the OECD-DAC criteria, nor did it collect any primary data at the project level.

Quality Assurance

MOPAN undertook a series of engagements with external partners to ensure the quality and rigour of this piece. An initial review was conducted by external experts, including Marjorie-Anne Broomhead, John Redwood, Rakesh Nangia, Hasan Tuluy and Ieva Vilkelyte. The OECD's climate group provided feedback to ensure that this synthesis reflected the latest research and data on climate finance. Finally, each MDB covered in the synthesis had an opportunity to provide feedback on its analysis and considerations, including fact-checking. Key stakeholders were made aware of how their feedback was incorporated and were given the opportunity to provide additional feedback as desired.

A large, jagged iceberg floats in the water, its surface showing various textures and cracks. In the background, a dark-hulled ship with a white superstructure is visible, sailing on the water. The sky is overcast and grey. The overall scene is a stark, cold, and desolate landscape.

MDBS HAVE EVOLVED IN HOW THEY ADDRESS CLIMATE CHANGE

Multilateral Development Banks (MDBs) have a unique comparative advantage in supporting net-zero transition and climate adaptation and resilience. Their financial frameworks enable them to scale up donor resources and capital through guarantees and access to capital markets. Their country-driven business models channel resources to promote climate mitigation, adaptation, and resilience in line with the country's contexts and priorities. MDBs provide a unique combination of solutions for countries: policy dialogue, knowledge and technical assistance, institutional capacity support, lending, and guarantees.

Beyond the support offered by other multilateral actors, MDBs have a unique role to play in mobilising the private sector to support climate action. They are uniquely positioned to support the public infrastructure investment needed to achieve the goals of the Paris Agreement across key sectors. Their ability to support pipeline development helps ensure that investment planning considers critical issues such as climate risks.⁵³ Furthermore, because they interface with the public and the private sectors, they can work with governments to promote an enabling environment and mobilise private sector climate investment.⁵⁴

The international community has repeatedly called upon MDBs to enhance the ambition and scale of their climate action and to work more closely together as a system. Several recent statements and multilateral policy reports – the 2023 MDB Vision Statement,⁵⁵ the G20 Capital Adequacy Framework Review,⁵⁶ the Independent High-Level Expert Group on Climate Finance⁵⁷ and the G20 Independent Expert Group⁵⁸ – call on MDBs to adjust their business models and scale up their support for climate mitigation, adaptation and resilience. These reforms would include, among others:

- ➔ Making more efficient use of their capital to scale up climate finance, increasing the use of guarantees and risk-sharing instruments and moving to “originate to distribute” models.
- ➔ Enhancing private capital mobilisation through “whole-of-institution” approaches to enhance the enabling environment and crowding in private investment.
- ➔ Expanding access to blended finance and financial instruments that address climate and disaster risk, including insurance mechanisms and climate-resilient debt clauses.
- ➔ Deepening the co-ordination among MDBs and other development actors, working collaboratively through country-led co-ordination mechanisms.

MDBs' joint statements lay out how they will support the multilateral response to climate change. Since 2015, they have regularly released statements describing how they will work jointly to deliver climate change action.⁵⁹ In 2015, they committed to increase climate finance to USD 100 billion by 2020, including working with VFs to increase access to concessional resources. They also committed to integrate climate change into their strategies, programs, and operations. Their statements have reflected a growing ambition to address increasingly complex challenges, including private capital mobilisation, support for the development of Nationally Determined Contributions (NDCs) and Long-term Strategies (LTS), the “Paris-alignment” of operations and support for biodiversity and just transition (Annex B).

⁵³ Independent High-Level Expert Group on Climate Finance (2022) “Finance for Climate Action – Scaling Up Investment for Climate and Development”

⁵⁴ Ibid.

⁵⁵ Government of France (2023) “Multilateral Development Banks Vision Statement” <https://www.elysee.fr/en/emmanuel-macron/2023/06/23/multilateral-development-banks-vision-statement>

⁵⁶ Boosting MDBs' investing capacity. (2022). An Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks.

⁵⁷ High-Level Expert Group on Climate Finance (2023) “A Climate Finance Framework: Decisive action to deliver on the Paris Agreement – Summary” [A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf \(lse.ac.uk\)](https://www.ihleg.org/en/2023/06/23/a-climate-finance-framework-ihleg-report-2-summary.pdf)

⁵⁸ The G20 Independent Expert Group (2023) “The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs”

⁵⁹ European Investment Bank (2015) “Joint Statement by the Multilateral Development Banks at Paris, COP21 - Delivering Climate Change Action at Scale: Our Commitment to Implementation” [joint-mdb-statement-climate_nov-28_final.pdf \(eib.org\)](https://www.eib.org/press/2015/11/28-joint-statement-climate-nov-28-final.pdf)



Image credit: Jaycek Dylag, Unsplash

The first Global Stocktake at COP28 in 2023 concluded that emission reductions must be accelerated significantly to deliver on the Paris Agreement goals.⁶⁰ The stocktake recognised that human activities have undeniably caused global warming of 1.1°C and that climate change impacts are being felt globally, particularly by the most vulnerable countries and people. It also observed that climate action has been inadequate and that NDCs must be more ambitious, their implementation must be accelerated, and delivery scaled up. Parties have failed to reduce emissions by 25-40% below 1990 levels by 2020. If left unaddressed, climate change impacts could push an additional 132 million people into extreme poverty by 2030, according to World Bank estimates.⁶¹

The international community called upon MDBs to scale up climate action to deliver on the phase-out of fossil fuels and address mounting climate change impacts. Over 200 Parties endorsed a call to triple renewable energy capacity globally and double the rate of energy efficiency improvements globally by 2030 while “transitioning away from fossil fuels in energy systems in a just, orderly and equitable manner,” including phasing out inefficient fossil-fuel subsidies. Adaptation and mitigation financing will need to be scaled up significantly to achieve this goal. MDBs and other financial institutions were again called upon to enhance the scale and effectiveness of climate finance.

The MDBs responded in a Joint Statement.⁶² It announces over USD 180 billion in additional climate commitments, which includes increased mobilisation of private capital through removing distorting subsidies, greening financial systems, and providing blended finance solutions. Beyond continuing efforts to ensure the Paris alignment of new MDB operations, including financing flows and guarantees, the joint statement commits to better integrate climate and development through analytical work, including through a new Joint MDB LTS Platform.⁶³ Building upon the nascent Just Energy Transition Partnerships (JETPs), MDBs committed to enhance in-country collaboration in all aspects of development, including climate, by working through country-led programmes. Finally, the MDBs committed to report increasingly on climate results, beyond finance, through a harmonised approach (Box 1).

⁶⁰ UNFCCC (2023) “Outcome of the First Global Stocktake” [Outcome of the first global stocktake. Draft decision -/CMA.5. Proposal by the President \(unfccc.int\)](#)

⁶¹ World Bank Group (2020) “Revised Estimates of the Impact of Climate Change on Extreme Poverty by 2030” [World Bank Document](#)

⁶² European Investment Bank (2023) “COP28 Multilateral Development Banks (MDB) Joint Statement” [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](#)

⁶³ Long-term low greenhouse gas emission development strategies (LT-LEDS – in short, LTS)

Box 1: The MDB Joint Statement at COP28

At COP28, the MDBs released a joint statement committing to increase their climate ambition and build on the progress achieved since COP27, including record levels of climate finance (USD 60.7 billion for LICs and MICs) and the private climate finance mobilisation of USD 15 billion. Following the publication of a joint framework for Paris Alignment Assessment, the MDBs are on track to align all new operations and guarantees to the Paris Agreement goals.

At COP28, MDBs reaffirmed their commitment to “socially inclusive, gender responsive and nature positive climate and development action,” including:

- ➔ An increased focus on measuring results and outcomes, including a common approach for reporting climate results and impact.
- ➔ Scaling up analytics to better integrate climate and development, and help countries identify priorities and investment opportunities.
- ➔ A new Joint MDB LTS Program to co-ordinate support to countries and sub-national entities for the formulation of LT-LEDS and other LTS.
- ➔ Support country-led platforms to enhance in-country co-ordination and impact in all aspects of development, including climate.
- ➔ Increasing mobilization of private capital, including through enabling regulatory environments, greening local financial systems, developing pipelines of climate and green investments and developing innovative instruments.
- ➔ Scaling-up adaptation financing support for disaster risk management and building resilience.
- ➔ Recognising that climate and ecological crises are intertwined with many other global challenges, strengthening collaboration in line with mandates and governance frameworks around nature, water, health and gender.

Source: COP28 MULTILATERAL DEVELOPMENT BANKS (MDB) JOINT STATEMENT (ifc.org)

MOPAN assessments indicate that MDBs are likely to face serious challenges in delivering on their COP28 joint commitment, for the following reasons:

- ➔ They struggle to demonstrate the contribution of their analytical work to creating an enabling environment for supporting climate mitigation, adaptation, and resilience.
- ➔ Concessional resources are inadequate; the process for accessing them needs to be streamlined and they must be positioned for catalysation and impact.
- ➔ They do not as yet work systemically through “whole-of-institution” approaches that create an enabling environment for private sector climate action.
- ➔ They report on climate finance, but often do not measure or report on the results of their climate action.
- ➔ They are not optimally positioned to scale up co-ordination through country-led co-ordination mechanisms.

As MDBs seek to renew their business models, these systemic challenges can be addressed through targeted reforms policy commitments. In 2024, several MDBs will be looking to replenish their funds or increase their shareholder capital and implement changes to their institutional strategies. Their member countries will have an opportunity, therefore, to advocate for key institutional changes that can create important incentives to change their ways of working and address systemic challenges.



MDB RESPONSES TO CLIMATE CHANGE

MOPAN assessments describe the significant progress that MDBs have made in integrating climate change into their strategic and operational architecture. This includes implementing the necessary strategies, structures, resources, and processes to mainstream cross-cutting issues across their portfolios and deliver on their COP28 climate change commitments. This section builds on the evidence from MOPAN's assessments to identify where MDBs have achieved progress to date. The report then offers considerations for scaling up MDB support to climate mitigation, adaptation and resilience.

Climate change considerations are being increasingly incorporated into MDB missions, visions and operating frameworks. MDB mandates are integrating climate in very important ways, as they emphasise enhanced resilience and delivering sustainable development results, including mitigating the impact of climate change. For example, climate change is a central theme of the ADB's New Operating Model (NOM), which seeks to scale up climate action to match the evolving needs of its partners. The NOM emphasises multi-sector approaches to integrate climate expertise across sectors and foster innovation.⁶⁴ The World Bank Group⁶⁵ identified a new mission and vision in October 2023, to “end extreme poverty and boost shared prosperity on a liveable planet”.⁶⁶ The EBRD counts “Green” among the six transition qualities guiding the strategic focus of its country and project-level operations.⁶⁷

MDBs are designing increasingly ambitious institutional climate change strategies. Each strategy identifies opportunities for policy transformation and investment across several sectors – energy, infrastructure, industry, water, and agriculture – to integrate net-zero transition into sectoral development planning. Increasingly, the strategies emphasise supporting countries in monitoring, verification, and reporting on climate actions and impacts to reinforce their analytical capacity, planning, and policy development. Institutional targets are identified for scaling up climate finance and mainstreaming climate into activities across sectors. For an overview of MDBs' climate change strategies, see Annex C.

MDB corporate scorecards and accountability frameworks feature climate change indicators. These tools reinforce the transparency of institutional progress in addressing climate change. Climate change is often addressed from multiple perspectives, including climate finance targets and the performance of tools and systems that help integrate climate considerations into operations. Climate change is also often reflected at the second level of MDB corporate scorecards reflecting operational “reach”. For example, the IDB Group measures “installed power generation capacity from renewable sources (MW)” and “people with strengthened climate and disaster resilience” across their countries of operation. However, these numbers are typically reported ex-ante and do not reflect actual operational results (see below for detailed discussion).

⁶⁴ Asian Development Bank (2022) “Organisational Review – A New Operating Model to Accelerate ADB's Transformation Toward Strategy 2030 and Beyond” [Organizational Review: A New Operating Model to Accelerate ADB's Transformation Toward Strategy 2030 and Beyond](#)

⁶⁵ The World Bank Group denotes the International Development Association (IDA), The International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID).

⁶⁶ World Bank Group (2023) “Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution” <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>

⁶⁷ Besley, Dewatripont and Guriev (2010) “Transition and transition impact – A review of the concept and implications”

Dedicated teams provide comprehensive support for climate change operations. Dedicated climate change units have been established across the MDBs and have grown over time. Their functions have evolved to reflect changes in the MDB joint commitments, with a shift towards an integrated approach whereby the teams work across different regions and sectors to address mitigation and adaptation opportunities. The teams also play an important role in facilitating access to concessional resources from trust funds and VFs.⁶⁸ Increasingly, they deliver robust knowledge, analytical work and climate diagnostics.

Different approaches have been introduced to integrate climate change considerations into country strategies and operations. Diagnostic work is an important entry point for integrating climate change into Country Strategy development. Approaches differ across organisations: Some MDBs produce a standalone climate analysis, such as the World Bank's Country Climate and Development Report (CCDR).⁶⁹ Others integrate this analysis into a broader country diagnostic while producing a range of more targeted diagnostics addressing specific challenges. In the case of IFAD, a country-level analysis is integrated into its Social, Environmental and Climate Assessment Procedures (SECAP), including a description of the policy and institutional environment for addressing climate change.⁷⁰ Insights from this work support both policy dialogue with governments and the design of individual projects.

Climate change considerations are integrated into the selection and design of investments with a range of tools. Climate- and disaster-risk screening tools consider how short-term and long-term climate risks are integrated into investment preparation and appraisal.⁷¹ This approach promotes sustainable development, strengthens national investment planning, enhances resilience to climate risks and avoids creating stranded assets. MDBs also implement a harmonised approach to project-level GHG accounting across sectors to calculate a project's expected gross GHG emissions over its economic lifetime and to reflect the estimated costs of increased emissions.⁷² This process helps embed these considerations into national investment planning, enhancing the enabling environment or delivering on NDCs.⁷³

Beyond this, MDBs are increasingly addressing biodiversity and nature. IFAD addresses biodiversity risks through a similar approach as part of its environmental and social risk management. In December 2023, the MDBs introduced new joint nature-positive finance principles, including a new methodology introduced by the World Bank Group to identify, monitor, and track nature-positive investments.⁷⁴ (Box 2)

⁶⁸ "Vertical funds" are development financing mechanisms confined to single development domains with mixed funding sources. They are also sometimes referred to as Financial Intermediary Funds. See: <https://fiftrustee.worldbank.org/en/about/unit/dfi/fiftrustee/overview>

⁶⁹ World Bank Group (2023) "Climate and Development: An Agenda for Action – Emerging Findings from WBG 2021-22 Country Climate and Development Reports" openknowledge.worldbank.org/server/api/core/bitstreams/2df5ceb2-4b98-595f-b384-4b9590c5388a/content

⁷⁰ International Fund for Agricultural Development (2021) "Social, Environmental and Climate Assessment Procedures – Volume 1" <https://www.ifad.org/en/secap>

⁷¹ [World Bank Climate and Disaster Risk Screening | The World Bank Climate and Disaster Risk Screening Tools](https://www.worldbank.org/en/topic/climate/external/2015/07/21/world-bank-climate-and-disaster-risk-screening)

⁷² World Bank Group (2015) "International Financial Institution Framework for a Harmonised Approach to Greenhouse Gas Accounting" https://www.worldbank.org/content/dam/Worldbank/document/IFI_Framework_for_Harmonized_Approach%20to_Greenhouse_Gas_Accounting.pdf; World Bank Group (2017) "Shadow price of carbon in economic analysis Guidance note" <https://thedocs.worldbank.org/en/doc/911381516303509498-0020022018/original/2017ShadowPriceofCarbonGuidanceNoteFINALCLEARED.pdf>

⁷³ International Fund for Agricultural Development (2021) "Social, Environmental and Climate Assessment Procedures – Volume 1" <https://www.ifad.org/en/secap>

⁷⁴ Inter-American Development Bank (2023) "MDB Common Principles for tracking nature-positive finance" <https://www.iadb.org/document.cfm?id=EZIDB0000577-1729984378-319>

Box 2: Examples of Climate Mainstreaming Tools Across Institutions

MDBs apply climate mainstreaming tools at the early stages of project design to ensure that climate risks and impacts are considered systematically in decision-making by clients and the institutions. These measures take different forms in the World Bank, IFC, ADB, IDB and AfDB. Beyond identifying climate mitigation and adaptation finance and managing environmental and social risks, the following mechanisms are applied across MDBs to support project design:

GHG accounting is used to account for the GHG emissions of direct investment projects that MDBs finance and report on publicly. This involves ex-ante estimations of the annual emissions at normal operating capacity produced by an investment. These measures are also used to estimate avoided emissions against a baseline scenario.

Shadow carbon pricing is used to value carbon emissions as part of the economic analysis of investment project financing. It captures the social benefits of GHG emissions reductions or the costs of higher emissions to encourage MDBs and clients to consider realistically available project alternatives that deliver development benefits with a lower social “cost”.

Climate and disaster risk screening is applied early in project design to identify short- and long-term climate and disaster risks to investments, to identify a means of mitigation, and build resilience into development projects, policies, and programmes to help ensure that development outcomes are realised over the long term.

Paris Alignment (PA) Assessment is a Joint-MDB Methodological Principle that first considers whether an operation is consistent with a low-GHG development pathway and does not undermine a transition to a decarbonised economy in the given country and globally. The second element is to determine whether the activity is on the universally aligned list, and to assess and mitigate the risks of emissions if it is not. On the adaptation side, each operation will also have to assess its physical climate risk and identify adaptation and resilience measures to reduce any material physical climate risks and enhance climate resilience. The MDBs are expected to carry out these assessments using the information and tools at their disposal in a given timeframe. This will remain a MDB’s expert judgment, based on available information at the time of the assessment, including national circumstances.

Mainstreaming in a private sector context: MDBs integrate climate change considerations in tools for identifying the potential contribution of an investment to development outcomes and to the creation of markets. These tools are applied ex-ante to investments using sector-specific frameworks and harmonised indicator sets to identify the potential contribution of a particular investment to various development results, including the likelihood that the impact will occur and the extent to which the investment addresses a market gap. These considerations are complemented by information about financial viability and risk, to make investment decisions through a portfolio approach. Increasingly, these tools are also being used to monitor results and outcomes across the investment cycle to create feedback loops.

Examples:

- IFC’s Anticipated Impact Monitoring and Measurement System (AIMM),
- IDB Invest’s Development Effectiveness Learning, Tracking and Assessment Tool (DELTA) and
- EBRD’s Transition Objective Measurement System (TOMS).

Sources:

World Bank Group (2015) “International Financial Institution Framework for a Harmonised Approach to Greenhouse Gas Accounting” https://www.worldbank.org/content/dam/Worldbank/document/IFI_Framework_for_Harmonized_Approach%20to_Greenhouse_Gas_Accounting.pdf.

World Bank Group (2017) “Shadow price of carbon in economic analysis Guidance note” <https://thedocs.worldbank.org/en/doc/911381516303509498-0020022018/original/2017ShadowPriceofCarbonGuidanceNoteFINALCLEARED.pdf>

[World Bank Climate and Disaster Risk Screening | The World Bank Climate and Disaster Risk Screening Tools](#)

World Bank Group (2019) “The MDBs’ alignment approach to the objectives of the Paris Agreement: working together to catalyse low-emissions and climate-resilient development” [Microsoft Word - Joint Declaration MDBs Alignment Approach to Paris Agreement COP24_Final.docx \(worldbank.org\)](#)

<https://www.ebrd.com/what-we-do/economic-research-and-data/transition-impact.html>

<https://www.ifc.org/en/our-impact/measuring-and-monitoring/aimm-dimensions>

<https://idbinvest.org/en/impact-management-framework>

Climate change is considered when selecting private sector operations. Tools such as the IFC's Anticipated Impact Measurement and Monitoring system (AIMM), IDB Invest's Development Effectiveness Learning, Tracking and Assessment (DELTA) Tool and EBRD's Transition Objective Measurement System (TOMS) identify viable projects that promote private sector-led development and climate change mitigation and adaptation. These tools scrutinise the likelihood of achieving impacts given a range of risks and identify each project's potential to address market gaps and unlock future investment. Through its Green Economy Transition (GET) Screening approach, EBRD scrutinises projects' climate change claims, establishes baselines and identifies the expected impact over time.⁷⁵ Increasingly, these systems also facilitate monitoring of contribution to climate results throughout implementation.

Progress has been made towards aligning new financing flows, including operations and guarantees, to the goals of the Paris Agreement. In 2023, the MDBs identified joint harmonised principles for Paris Alignment assessment of operations were established for assessing the alignment of their projects, including direct investment lending, policy-based operations, intermediated financing and general corporate purpose financing.⁷⁶ These have been complemented by a list of activities considered "universally Paris-aligned" and universally non-aligned activities. MOPAN assessments demonstrate increasing readiness across MDBs to implement Paris alignment approaches, including dedicated staff training and human resources. Additional details are provided in Box 2.

MDBs have scaled up climate finance considerably since 2015. In 2022, MDBs' total climate finance to low- and middle-income countries was USD 60.7 billion compared to USD 25.1 billion in 2015, with 37% funding adaptation activities.⁷⁷ The vast majority of MDB climate finance (80.2% in 2022) is provided to public sector entities. MDBs continue to apply a harmonised approach to tracking climate finance that reflects how projects address climate change alongside other challenges.⁷⁸ These include common principles for identifying climate adaptation and mitigation finance across entire projects and programmes or specific project components. The World Bank measures the share of "climate co-benefits": reflecting the share of financing dedicated to climate change mitigation and adaptation in all IDA and IBRD operations, and reflecting the interlinkages between climate change and other development objectives.⁷⁹

Building on their unique financial models, MDBs have scaled up the capital available for climate finance through a range of mechanisms. They have played a leading role in developing and issuing bonds – including green and blue bonds and disaster bonds – to scale up overall capital for climate investment. Since 2008, the World Bank, for example, has issued more than 200 green bonds in 25 currencies valued at USD 28 billion.⁸⁰ The IDB Group and the African Development Bank have sought to explore how to channel SDRs through the IMF's Resilience and Sustainability Trust using a hybrid capital model to

⁷⁵ European Bank for Reconstruction and Development (2020) "GREEN ECONOMY TRANSITION APPROACH 2021-2025" <https://www.ebrd.com/documents/comms-and-bis/get-20212025.pdf>

⁷⁶ World Bank Group (2019) "The MDBs' alignment approach to the objectives of the Paris Agreement: working together to catalyse low-emissions and climate-resilient development" [Microsoft Word - Joint Declaration MDBs Alignment Approach to Paris Agreement COP24 Final.docx \(worldbank.org\)](https://www.worldbank.org/en/document/2019/09/26/microsoft-word-joint-declaration-mdb-align-approach-to-paris-agreement-cop24-final.docx)

⁷⁷ European Investment Bank (2023) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report" [2022-dfi-bcf-working-group-joint-report.pdf \(eib.org\)](https://www.eib.org/en/press/2023/09/2022-dfi-bcf-working-group-joint-report.pdf); European Bank for Reconstruction and Development (2018) "2018 Joint Report of Multilateral development Banks' Climate Finance" <https://www.ebrd.com/documents/climate-finance/-2018-joint-report-on-multilateral-development-banks-climate-finance.pdf>

⁷⁸ European Investment Bank (2022) "Joint Methodology for Tracking Climate Adaptation Finance" [Joint methodology for tracking climate change adaptation finance \(worldbank.org\)](https://www.eib.org/en/press/2022/09/2022-joint-methodology-for-tracking-climate-change-adaptation-finance.pdf); International Development Finance Club (2021) "Common Principles for Climate Mitigation Finance Tracking" https://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf

⁷⁹ World Bank Group (2021) "Reference Guide on Adaptation Co-Benefits: A Comprehensive Guide on Capturing Climate Change Adaptation Co-Benefits Generated by World Bank Projects"

<https://thedocs.worldbank.org/en/doc/6f438059fcd67d697592f0dd3e2ed151-0090012021/original/1-Reference-Guide-on-Adaptation-Co-Benefits.pdf>; <https://www.worldbank.org/en/news/factsheet/2022/10/31/a-closer-look-at-world-bank-group-climate-finance>

⁸⁰ <https://treasury.worldbank.org/en/about/unit/treasury/ibrd/ibrd-green-bonds#:~:text=World%20Bank%20Green%20Bonds%20are,any%20other%20World%20Bank%20bonds>

channel additional resources for climate action.⁸¹ MOPAN assessments also demonstrate that MDBs are making progress in addressing the recommendations from the G20 Review of MDBs Capital Adequacy Frameworks. These actions include loosening statutory limits on lending and enhancing the use of funded and unfunded risk transfers.⁸² Some MDBs will also be pursuing an originate-to-distribute model as part of their revised institutional strategies.

MDBs have also scaled-up blended finance and other concessional support for climate change mitigation and adaptation. Since the early 2000s, MDBs have identified over 200 standalone and multi-donor trust funds that support climate mitigation and adaptation activities across different geographic areas.⁸³ These funds provide grants, guarantees and other risk-sharing instruments to support diagnostic work, technical assistance, innovative approaches, the catalysation of investment, and the mobilisation of private capital. In 2021, MDBs and other DFIs provided over USD 1 billion in concessional resources, blended with other financing, to support total investment values of more than USD 6 billion.⁸⁴ Provision of concessional resources has tripled since 2019, while overall investment values have more than doubled.⁸⁵ Increasingly, MDBs are adopting approaches to enhance the transparency of blended finance allocations, including transparent reporting on subsidy levels.⁸⁶

MDBs are using a range of new, innovative instruments to further enhance support for climate mitigation, adaptation and resilience. Contingent disaster financing is being applied increasingly as part of standalone facilities and development policy lending to enable countries to respond to climate-induced crises.⁸⁷ (Box 3) The World Bank's Results-based Climate Finance (RBCF) provides grant payments for verified, high-integrity emissions reductions, incentivising partner countries to address climate change while enabling them to private sector finance in carbon markets.⁸⁸ The IDB has recently provided a range of debt-for-climate and debt-for-nature swaps whereby sovereign debt is reduced in exchange for spending or policy commitments to address climate change and biodiversity.⁸⁹

⁸¹ Andrews, D (2021) "Reallocating SDRs to Multilateral Development Banks or other Prescribed Holders of SDRs" <https://www.cgdev.org/publication/reallocating-sdrs-multilateral-development-banks-or-other-prescribed-holders-sdrs>

⁸² Boosting MDBs' investing capacity. (2022). An Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks.; [New Capital Adequacy Framework | Asian Development Bank \(adb.org\)](#); MOPAN (2023) "MOPAN Assessment Report – IDB Invest" <https://www.mopanonline.org/assessments/idbinvest2021/index.htm>; MOPAN(2024) "MOPAN Assessment of EBRD" (forthcoming)

⁸³ Reinberg, Shishlov et al., (2020) "Climate Change-related Trust Funds

at the Multilateral Development" <https://perspectives.cc/publication/climate-change-trust-funds-at-multilateral-development-banks/>

<https://perspectives.cc/publication/do-multilateral-development-bank-trust-funds-allocate-climate-finance-efficiently/>

⁸⁴ International Finance Corporation (2023) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report" <https://www.ifc.org/en/insights-reports/2020/bf-dfi-ifc-annual-reports>

⁸⁵ <https://www.ifc.org/content/dam/ifc/doc/mgrt/dfi-blended-concessional-finance-working-group-joint-report-october-2019-v13-report.pdf>

⁸⁶ MOPAN (2023) "MOPAN Assessment Report – IFC" <https://www.mopanonline.org/assessments/ifc2021/index.htm>; MOPAN (2024) "MOPAN Assessment Report – EBRD" (in process)

⁸⁷ [Disaster Risk Management \(worldbank.org\)](#); [What is the Contingent Credit Facility? - Caribbean Development Trends \(iadb.org\)](#); Asian Development Bank (2019) "Contingent Disaster Financing under Policy-Based Lending in Response to Natural Hazards" [Contingent Disaster Financing under Policy-Based Lending in Response to Natural Hazards: Policy Paper \(adb.org\)](#)

⁸⁸ [Climate Explorer: Results-Based Climate Finance \(worldbank.org\)](#)

⁸⁹ [IDB | Ecuador Completes World's Largest Debt-for-Nature Conversion with IDB and DFC Support \(iadb.org\)](#)

Box 3: Examples of Innovative MDB Climate Instruments

Insurance-based mechanisms

IBRD's catastrophe bonds, issued under its "capital at risk" notes programme, seek to transfer risks related to natural disasters and other risks from developing countries to capital markets. Payouts are triggered when a natural disaster meets specific criteria for location and severity set forth in the terms of the bond, including an innovative reporting feature to speed up calculation and pay out.

AfDB's Africa Disaster Risk Financing (ADRFi) programme subsidises African Risk Capacity products, which is a specialised African Union agency established to help African governments improve their capacities to plan, prepare and respond to extreme weather events and natural disasters. ADRFi helps make premium subsidies sustainable through concessional funding while providing technical assistance to help enhance institutional capacity for proactive risk management.

Disaster resilience and debt sustainability

Climate-Resilient Debt Clauses: Through its Principal Payment Option (PPO) under its Flexible Financing Facility, IDB offers borrowing countries a one-time option to defer principal repayments for two years after a natural disaster, providing financial relief during times of distress. Catastrophe Protection Conversions allows borrowers to access a streamlined means of securing catastrophe risk transfer, receiving a cash payout from IDB if a disaster occurs. As of 2023, these clauses protect over USD 1 billion in IDB loans.

The World Bank introduced its **Climate Resilient Debt Clause** in June 2023 for 45 eligible small islands and other small states particularly vulnerable to natural disasters. The CRDC will provide these countries with the opportunity to temporarily defer principal repayments on new and existing IBRD and IDA loans in the case of severe earthquakes or tropical storms to reduce debt pressures and free up domestic resources for disaster response.

Debt-for-climate and debt-for-nature swaps help countries improve their debt management while investing in climate and biodiversity. These activities involve sovereign debt purchase with cheaper financing through a sovereign guarantee mechanism, complemented by institutional capacity development and linked to additional climate investment. IDB recently implemented a **debt-for-nature swap** in Ecuador that is expected to generate lifetime savings of more the USD 1 billion while generating savings to finance conservation activities of USD 323 million.

Results-Based Climate Finance (RBCF)

The World Bank has 20+ years of experience piloting and delivering climate and carbon finance, including providing RBCF or grant payments for verified, high-integrity emissions reductions. This work is being taken forward through the **Scaling Climate Action by Lowering Emissions (SCALE)** multi-donor trust-funded partnership, which aims to catalyze transformative climate action on key issues – stopping deforestation, just energy transitions, and subsidy removals. SCALE supports countries to generate and transact high-integrity, socially inclusive carbon credits for RBCF payment or trade in international carbon markets, so that they can affordably finance domestic climate mitigation targets. A floor price embedded in the RBCF ensures that countries have a guarantee of payment for their carbon credits, empowering them to sell either to carbon markets, including private sector buyers, or to exercise the price-floor guarantee for the best possible returns. SCALE's RBCF is complemented by institutional capacity building and technical assistance, including in the areas of regulatory frameworks and registries, measurement, MRV, and carbon market transaction support. SCALE also works to crowd in private sector finance by simplifying access to carbon markets to bridge the gap between supply and demand. It is also collaborating with carbon buyer aggregators, such as the Energy Transition Accelerator (ETA) to boost impactful climate financing.

In 2023, IDB introduced the **Biodiversity and Climate-linked Mechanism for Ambition (IDB CLIMA)**, which is currently in its pilot phase and will provide borrowers with a discount when selected loan projects are of a specific nature and meet climate objectives. The discount takes the form of a grant for up to 5% of the loan's principal. To be eligible, the project must also include financing to strengthen the capacity of national systems for MRV, a key requirement for countries to access green and thematic debt markets to mobilise climate capital at scale.

Supporting energy transition

The ADB's **Energy Transition Mechanism (ETM)** uses public-private financing to retire coal-fired power plants on an accelerated schedule and replace them with clean power capacity. This mix of financing helps address bottlenecks to the early termination of coal plants, including the early termination of revenue flows, while supporting investment in clean energy and supporting just transition by enhancing the capacity of governments to address socioeconomic implications of energy transition.

Scaling up resources

The ADB's **Innovative Finance Facility for Climate in Asia and the Pacific Financing Partnership Facility (IF-CAP FPF)**, is a multi-donor trust fund vehicle that is designed to expand the ADB's headroom for climate financing through guarantees and grant funding. The IF-CAP Grant Trust Fund supports technical assistance activities that enhance institutional capacity. The IF-CAP Guarantee Trust Fund provides guarantees covering payment defaults for a synthetic portfolio of ADB's sovereign operations. The released capital linked to these guarantees can then be used to support new sovereign and non-sovereign climate loans.

Box 3 Continued —

The AfDB's Africa Adaptation Acceleration Programme (AAAP), launched in partnership with the Global Center on Adaptation, involves an upstream financing facility and the African Development Fund's (ADF) new Climate Action Window (CAW). The upstream financing facility supports evidence-based project design and preparation and policy work to help expand the pipeline of viable adaptation projects. The CAW is a set aside that provides concessional adaptation finance to the 37 member countries of the ADF, which are among the most vulnerable to climate change. 75% of the CAW is devoted to adaptation, with 15% and 10% devoted to mitigation and technical assistance respectively.

Special Drawing Rights (SDR) allocations have become an interesting new vehicle being pursued by some MDBs, notably IDB, the AfDB and the World Bank. SDRs are an international reserve asset that provides additional liquidity to countries while reducing reliance on more expensive sources of finance. In 2021, the IMF issued a general SDR allocation equivalent to USD 650 billion; however, because SDRs are allocated based on the quota amount of each IMF member, a large proportion went to High Income Countries (HIC) rather than LICs and MICs. Most MDBs are "prescribed holders" of SDRs, meaning that they can use them as part of their financial operations so that contributing countries do not need to convert these to hard currency. Furthermore, the ability of MDBs to leverage resources by a factor of 3-5 provides additional opportunities to greatly expand the scope of concessional resources available to address complex development issues. As part of the World Bank's evolution, SDR allocations are proposed to contribute to non-voting or hybrid capital to avoid undesirable implications on existing governance arrangements.

The enhanced Adaptation for Smallholder Agriculture Programme (ASAP+)

IFAD's ASAP+ is the largest fund dedicated to channeling climate funding to small-scale producers. ASAP+ ties grant funding to projects financed by IFAD's core funds in countries where IFAD already has a pipeline and expands its reach to fragile countries where IFAD does not currently have a pipeline but where future investments are envisioned. ASAP+ focuses on bringing climate finance to agricultural development projects and addresses drivers of climate change by: (i) increasing the resilience of vulnerable communities to uncertainty caused by climate change on food security and nutrition; and (ii) reducing GHG emissions through initiatives that also yield food security benefits. Overall, it targets an overall reduction of 96-129 tons of CO₂ emissions avoided or sequestered and greater resilience for 7-10 million persons or households to the impacts on food security and nutrition of climate change.

Mobilising private sector finance for climate

The IFC's Managed Co-Lending Portfolio Programme (MCPPE), is a lending platform launched in 2013 that enables IFC to co-invest in a portfolio of loans with institutional investors such as central banks and pension and insurance companies. The MCPPE provides unique access to a pipeline of diversified IFC investments in emerging markets. At COP26, IFC announced the launch of the MCPPE One Planet, building the world's first cross-sectoral portfolio of emerging market loans aligned to the Paris Agreement with enhanced reporting to demonstrate their contributions to the SDGs.

The AfDB's Sustainable Energy Fund for Africa (SEFA) is a multi-donor special fund that provides catalytic investments to unlock private capital investment in renewable energy and energy efficiency. It combines technical assistance and blended concessional finance to remove market barriers and build a pipeline of viable projects by improving the risk-return profile of investments. It provides support through results-based financing, loans, and equity instruments, often blended with AfDB investments to address financial viability gaps.

Sources:

<https://www.worldbank.org/en/news/press-release/2023/03/17/world-bank-executes-its-largest-single-country-catastrophe-bond-and-swap-transaction-to-provide-chile-630-million-in-fin>

<https://arc.int/news/press-release-climate-and-disaster-risk-financing-get-fresh-boost-african-development-bank>

<https://www.worldbank.org/en/news/factsheet/2023/12/01/world-bank-extends-new-lifeline-for-countries-hit-by-natural-disasters>

<https://www.iadb.org/en/how-we-can-work-together/public-sector/financing-solutions/flexible-financing-facility-fff>

<https://www.iadb.org/en/news/ecuador-completes-worlds-largest-debt-nature-conversion-idb-and-dfc-support>

<https://www.worldbank.org/en/programs/scale/overview>

<https://www.iadb.org/en/news/idbs-innovative-financing-tool-rewards-results-nature-and-climate>

<https://www.adb.org/what-we-do/energy-transition-mechanism-etm>

<https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/africa-adaptation-acceleration-program>

<https://www.afdb.org/en/news-and-events/unlocking-transformative-potential-rechannelling-sdrs-through-multilateral-development-banks-will-spur-sustainable-development-africa-64438>

<https://www.ifad.org/en/asap-enhanced>

<https://www.ifc.org/content/dam/ifc/doc/2023-delta/mcpp-oneplanet-brochure.pdf>

<https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/sustainable-energy-fund-for-africa>

MDBs support governments and clients in Monitoring, Reporting and Verification (MRV), making emissions trading mechanisms possible. MRV enables countries to better document emissions, understand mitigation and adaptation needs, and monitor the implementation of NDCs.⁹⁰ It supports the implementation of Article 6 of the Paris Agreement on voluntary co-operation between Parties in implementing their NDCs, including a body that supervises the implementation of emissions trading schemes.⁹¹ Support for MRV is a key component of the World Bank's RBCF, enabling countries to participate in carbon markets and further monetise mitigation efforts. The EBRD applies MRV support as part of its operations to monitor the ex-post results of climate operations and provides MRV technical assistance to public and private sector clients to facilitate participation in carbon markets.⁹² Increasing support for Digitalised MRV (D-MRV) is helping to streamline data collection and quality control, enhancing rigour and effectiveness.⁹³

The MDBs work with the UN and other development partners through a wide range of global, regional and national partnerships. These partnerships bring together developed and developing countries, UN entities, MDBs and philanthropies to help raise the quality and ambition of countries' NDCs, mobilise resources, and support implementation. Major platforms include, among others, global co-ordination platforms such as the UNDP Global Climate Promise, the NDC Partnership, the Global Partnership for Oceans and the Africa NDC Hub. However, MOPAN's 2021 Climate Change study noted that the significant fragmentation across these partnerships can strain limited national resources and absorptive capacity.⁹⁴

MDBs are working increasingly through innovative models for country-led co-ordination mechanisms. MDBs are among the key partners of emerging JETPs in South Africa, Indonesia, Viet Nam, and Senegal.⁹⁵ Spearheaded by national governments in partnership with the International Partners Group (IPG), these partnerships seek to scale up financial and technical support for just transition in heavily coal-dependent countries.⁹⁶ Grounded in strong national ownership, JETPs seek to scale up concessional and non-concessional finance from bilateral and multilateral partners, promote enabling reforms and develop strong investment plans and pipelines. Crowding in the private investment and addressing the potential social impacts of transition is especially emphasised. Other programmes such as Egypt's Water, Food, Energy Nexus, provide an alternative model for a government-led co-ordination mechanism to address a range of interrelated climate mitigation, adaptation and resilience challenges across a broader range of sectors.⁹⁷

Overall, MDBs have made important progress in scaling up their climate change responses to reflect emerging challenges and needs. However, global progress remains off-track to deliver on the goals of the Paris Agreement and it is imperative that these efforts are scaled up further. MDBs are also likely to face challenges in delivering on their joint commitments at COP28, some of which are described in the next section.

⁹⁰ <https://www.worldbank.org/en/news/feature/2022/07/27/what-you-need-to-know-about-the-measurement-reporting-and-verification-mrv-of-carbon-credits>

⁹¹ <https://www.worldbank.org/en/news/feature/2022/05/17/what-you-need-to-know-about-article-6-of-the-paris-agreement>

⁹² <https://www.ebrd.com/sites/Satellite?c=Content&cid=1395247330548&d=Touch&pagename=EBRD%2FContent%2F-ContentLayout>

⁹³ World Bank Group (2022) "Digital Monitoring, Reporting, and Verification Systems and Their Application in Future Carbon Markets" <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099605006272210909/idu0ca02ce8009a2404bb70bb6d0233b54ffad5e>

⁹⁴ MOPAN (2021) "Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change" <https://www.mopanonline.org/analysis/items/lessonsinmultilateraleffectivenessclimatechange.htm>

⁹⁵ International Institute for Sustainable Development (2022) "Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy" <https://www.iisd.org/articles/insight/just-energy-transition-partnerships>; Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf \(rockefellerfoundation.org\)](https://www.rockefellerfoundation.org/publications/scaling-the-jetp-model-prospects-and-pathways-for-action); ODI (2022) "Country Platforms for Climate Action: Something borrowed, something new?"

⁹⁶ Government of France (2021) "Joint Statement - International Just Energy Transition Partnership" [Joint Statement - International Just Energy Transition Partnership | Élysée \(elysee.fr\)](https://www.elysee.fr/en/press-releases/2021/09/29/joint-statement-international-just-energy-transition-partnership)

⁹⁷ Government of Egypt (2022) "Joint Statement – Egypt's Country Platform for NWFE Programme"; World Economic Forum (2023) "Egypt's Nexus for Water, Food and Energy programme – the blueprint to fight climate change?" <https://www.weforum.org/agenda/2023/09/egypt-water-food-and-energy-nexus-programme-blueprint-fight-climate-change/>



FIVE CHALLENGES FOR MDBS TO DELIVER ON THEIR COP28 COMMITMENTS

Image credit: Neeraj Nabar, Unsplash

For MDBs to deliver on their commitments in the COP28 Joint Statement, they will need to address long-standing institutional challenges and introduce new ways of working. Senior management and other stakeholders can take advantage of the MDB reforms to equip them to work more closely in partnership with one another and with other development partners to enable a “whole-of-society” response to climate change across the multilateral system.

The following discussion builds on the MOPAN assessments and considers information from other documents, stakeholder interviews and the review of country strategies. It also considers the gaps identified in MOPAN assessments with respect to other institutional processes, beyond climate change. It identifies emerging initiatives under development across different MDBs as they address these challenges.

1. MDBs have difficulty demonstrating how their knowledge work, institutional capacity support or policy dialogue contribute to creating an enabling environment.

Creating an enabling policy and regulatory environment is essential for supporting the ambition and implementation of NDCs. In addition to identifying national mitigation and adaptation targets, NDCs and LTS are the main normative vehicles for articulating national plans to reduce emissions and adapt to the impacts of climate change.⁹⁸ These may include the introduction or reform of legislation, regulation, programmes and plans that influence government action. The effectiveness of these policy instruments depends on government capacity to implement and enforce them and thus influence the behaviour of the other important actors, such as the private sector.⁹⁹ Examples of policy instruments that support an enabling environment for net-zero transition are described in Box 4.



Image credit: Jose Duarte, Unsplash

⁹⁸ OECD (2023) “The climate actions and policies measurement framework: A structured and harmonised climate policy database to monitor countries’ mitigation action” <https://www.oecd-ilibrary.org/docserver/2caa60ce-en.pdf?expires=1708642939&id=id&accname=ocid84004878&checksum=5CEBD3BD0F3CC4EC8EC5EE0E8316D0AD>; [How have governments’ climate policies evolved in the last decade? – Environment Focus \(oecd-environment-focus.blog\)](https://www.oecd-ilibrary.org/docserver/2caa60ce-en.pdf?expires=1708642939&id=id&accname=ocid84004878&checksum=5CEBD3BD0F3CC4EC8EC5EE0E8316D0AD)

⁹⁹ Ibid.

Box 4: Creating an enabling policy environment for net-zero transition.

Policy instruments may be market- or non-market based. Market-based instruments use markets and prices to create incentives for producers and consumers to act in ways that promotes climate change mitigation, adaptation, and resilience. Non-market instruments impose obligations and non-monetary incentives such as standards, information instruments and voluntary approaches.

These instruments include key planning, co-ordination and monitoring structures: (i) GHG emissions reporting and accounting systems that provide information on countries' GHG emissions sources supporting the identification of priority areas; (ii) independent climate advisory bodies that assess countries' climate performance and advise on future policy actions, and (iii) inter-ministerial policy and planning bodies that promote a whole-of-government approach to delivering on climate mitigation and transition targets in an inclusive and equitable way.

Sector	Policy instrument	Purpose
Cross-sector	Carbon taxes	Taxes levied on carbon emissions to promote behaviour change and incentivise emissions reduction.
	Emissions trading schemes	Market-based instruments that set a limit on emissions. Companies can buy and sell allowances to emit certain amounts, providing a strong incentive to save money by cutting emissions in cost-effective ways.
	Fossil-Fuel subsidy reforms	Reform or cessation of government actions that provide a benefit or preference for fossil-fuel consumption.
Energy	Feed-in tariffs and auctions for solar, photovoltaic and wind energy	Policy instruments that encourage investment in renewable energy by offering fixed, long-term contracts to renewable energy producers. Auctions are competitive tenders issued to install renewable energy generation capacity.
	Phase out of existing unabated coal plants	Regulation that requires the cessation of the construction or usage of unabated coal power plants.
	Planning for renewables expansion	Transmission and generation planning, including resource and site planning with the purpose of expanding generation from renewable energy sources.
	Bans and phase outs of fossil-fuel extraction	Regulation that mandates the cessation of new or existing infrastructure to extract fossil fuels.
Transport	Fuel economy standards	Regulatory standards that require light vehicle suppliers to make sure new vehicles meet certain standards for emissions over a set distance (e.g., CO ₂ / kilometre).
	Rail surface transport expenditure	Public expenditure for rail or public transport that provides alternatives to private car journeys.
Buildings	Minimum energy performance standards	Regulatory instruments that limit the maximum amount of energy that can be consumed by a product or appliance.
	Building energy codes	Regulatory instruments that specify minimum energy efficiency standards for residential and commercial buildings.
Industry	Energy efficiency mandates	Identifies a set of requirements that large energy users must meet to save energy.
Agriculture	Agricultural support, grants and preferential credits	Subsidised loans provide resources and incentives to farmers to adopt sustainable agriculture practices and technology and promote soil afforestation and soil carbon sequestration.

Source: OECD (2023) "The climate actions and policies measurement framework: A structured and harmonised climate policy database to monitor countries' mitigation action" <https://www.oecd-ilibrary.org/docserver/2caa60ce-en.pdf?expires=1708642939&id=id&accname=ocid84004878&checksum=5CEBD3BD0F3CC4EC8EC5EE0E8316D0AD>

NDCs and the enabling environment for their implementation are not yet adequate to deliver on Paris Agreement goals. MOPAN's 2021 climate change analytical study demonstrated an urgent need to scale up the ambition of NDCs and facilitate their implementation. At that time, most developing countries had not established LTS and their NDCs lacked clear implementation plans and financing arrangements. The study notes that ministries of environment have traditionally led the development of NDCs. The absence of "whole-of-government" ownership has hindered progress on the climate change agenda. Most NDCs were also found lacking in robust government co-ordination and oversight bodies. Whereas multilateral partnerships play an important role in supporting the development and implementation of NDCs and LTS, they have often been fragmented, limiting their effectiveness and straining national capacity.

The scope and ambition of NDCs and LTSs have increased since 2021, including among low- and middle-income countries (LICs and MICs). As of September 2023, the UNFCCC has received 168 NDCs covering 195 Parties to the Paris Agreement and approximately 95% of global GHG emissions.¹⁰⁰ More than 153 updated NDCs covering 180 Parties have been submitted that reflect more ambition and commitment to reducing overall emissions by 2030. NDCs have also become more robust, with time-bound and quantified targets, better integration into national legislative and regulatory frameworks, and evidence of long-term planning. The NDCs are increasingly supported by LTS: 48% of Parties use them to inform shorter-term NDCs and identify pathways to mid-century decarbonization goals.¹⁰¹ NDCs and LTS increasingly address both climate adaptation and mitigation, including through national adaptation planning: 81% of NDCs now contain an adaptation component.¹⁰² Institutional arrangements for NDC planning and co-ordination have gotten stronger in most countries. They now use inter-institutional commissions and stakeholder consultation processes, including for local and indigenous communities.

Current commitments and progress, however, have not been sufficient to meet the goals of the Paris Agreement. An "emissions gap" persists such that NDCs are not sufficient to yield the reductions necessary to meet the goals of the Paris Agreement.¹⁰³ Current policies would reduce emissions by an estimated 10% if all conditional NDCs were implemented, but reductions of 30% to 45% are required.¹⁰⁴ Furthermore, national actions to implement NDCs have been insufficient to deliver on existing emissions reductions targets. Geopolitical tensions have led some governments to delay or backtrack on important policy commitments, including those linked to carbon pricing and the phase-out of fossil fuels. Meanwhile, annual support to fossil-fuel infrastructure has increased to record levels, reaching more than USD 1 trillion.¹⁰⁵

NDCs and LTS must be better integrated into sectoral planning, financing, and technology development. LTSs still struggle to identify clearly costed needs for mitigation and adaptation and lack the capacity to model low-carbon development pathways.¹⁰⁶ National adaptation financing needs in particular are often not quantified. Capacity building is frequently cited as a pre-requisite for NDC implementation to formulate policy and inform sectoral planning, with many commitments conditional on the provision of external financial resources, technology transfer and technical co-operation.¹⁰⁷

MDBs have a role to play in continuing to enhance the ambition of NDCs and promoting an enabling environment for their implementation. Country strategies routinely note that support for develop-

¹⁰⁰ UNFCCC (2023) "2023 NDC Synthesis Report" [2023 NDC Synthesis Report | UNFCCC](#)

¹⁰¹ Ibid.

¹⁰² Ibid.

¹⁰³ United Nations Environment Programme (2022) "The Closing Window: Climate Crisis Calls for Rapid Transformation of Societies – Emissions Gap Report 2022" <https://www.unep.org/resources/emissions-gap-report-2022>

¹⁰⁴ Ibid.

¹⁰⁵ OECD (2023) "The Climate Action Monitor: Providing information to monitor Progress toward net zero" [60e338a2-en.pdf \(oecd-ilibrary.org\)](#)

¹⁰⁶ UNFCCC Secretariat (2022) "Long-term low-emission development strategies - Synthesis report by the secretariat" [Long-term low-emission development strategies. Synthesis report by the secretariat | UNFCCC](#)

¹⁰⁷ Ibid.

ing and strengthening NDCs and LTS is a key area of engagement. MDBs further support an enabling environment for implementation through their: (i) knowledge work and analytics that inform policy and decision-making; (ii) policy dialogue that contributes to decision-making and shapes policy instruments and programmes; (iii) institutional capacity development that supports co-ordination and implementation of policies and programmes; and (iv) project and pipeline preparation support that facilitates public planning and investment. This work supports critical enabling policy reforms, helps integrate NDCs into sector planning, establishes financing needs, and transfers knowledge, technology and enhance capacity for implementation (Box 5).

MDBs are not currently positioned to demonstrate their contribution to transformative reform through their analytics. Between 2018 and 2023, the World Bank spent over USD 181 million on the production of its core analytical work alone.¹⁰⁸ These engagements are often discrete and short-term. Results measurement remains output-driven, whereas actual uptake and use to inform policy development may occur over a number of years. Measuring results for capacity development and technical assistance activities involves similar challenges. Beyond uptake to inform policy development, there are limited means of determining whether the intended results of policy changes are actually achieved. The majority of MDBs measure results for knowledge and analytical work through client feedback mechanisms, downloads and citations rather than demonstrated uptake, use and impact.

Policy-based lending can also play an important role but has important limitations. Some MDBs are able to provide policy-based loans that provide budget support linked to the implementation of targeted policy actions. Beyond promoting policies that enable the implementation of NDCs, this support has been shown to address gaps in inter-ministerial co-ordination, increase the effectiveness of donor co-ordination and increase consideration of climate risks in governance and planning.¹⁰⁹ However, once funds are disbursed, it is difficult to track how they are used and ensure this usage is aligned to low-carbon development pathways.¹¹⁰ Furthermore, budget support is contingent on the introduction of policies, but not necessarily their enforcement or effectiveness over time. Some argue that this support is not suited to all contexts because it increases sovereign debt burdens.¹¹¹

Country strategies show limited partner co-ordination in delivering analytical and capacity development support. Building upon existing knowledge and partnerships is crucial to make optimal use of limited resources and absorptive capacity of partners. Yet, MOPAN assessments have demonstrated that some MDBs even face challenges in using their existing knowledge products systematically to support Country Strategy development.¹¹² Knowledge, advice and capacity development activities are often not planned in partnership with other development actors. Our review of country strategies found that different MDBs sometimes deliver knowledge and capacity development support addressing the same challenges in the same countries. Stakeholders to various MOPAN Assessments have corroborated this challenge, noting that this work can provide slightly different and sometimes contradictory perspectives.

¹⁰⁸ Data provided by the World Bank.

¹⁰⁹ World Resources Institute (2023) "How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies" [How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies | World Resources Institute \(wri.org\)](https://www.wri.org/publications/2023/04/how-multilateral-development-banks-can-use-policy-based-financing-to-support-climate-resilient-economies/)

¹¹⁰ Ibid.; AFD (2019) "POLICY-BASED LOANS: BOOSTING THE POTENTIAL OF A BOOMING INSTRUMENT" [Policy-Based Loans: Boosting the Potential of a Booming Instrument | AFD - Agence Française de Développement](https://www.afd.fr/fr/publications/2019/04/policy-based-loans-boosting-the-potential-of-a-booming-instrument/)

¹¹¹ World Resources Institute (2023) "How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies" [How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies | World Resources Institute \(wri.org\)](https://www.wri.org/publications/2023/04/how-multilateral-development-banks-can-use-policy-based-financing-to-support-climate-resilient-economies/)

¹¹² MOPAN (2023) "MOPAN Assessment Report – African Development Bank" <https://www.mopanonline.org/assessments/afdb2021/index.htm>; MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/world-bank2021/index.htm>; MOPAN (2023) "MOPAN Assessment Report – Inter-American Development Bank" <https://www.mopanonline.org/assessments/idb2021/index.htm>



Image credit: Manny Becerra, Unsplash

Transformative policy impacts are typically not reflected in Country Strategy results frameworks.

In 2022, the World Bank's IEG found that few country-level results frameworks reflect outcome of the Bank's analytical work and raised concerns around its comparative advantage as a knowledge bank.¹¹³ Our review of Country Strategies found that this challenge extends to other MDBs such that results indicators rarely extend beyond the delivery of a report or intervention. The majority of strategies reviewed identified only output-level indicators for knowledge work rather than demonstrating uptake to inform policy changes. The EBRD's Country Strategy Delivery Reviews (CSDRs) reflect good practice in this regard in linking policy engagement to the implementation of new policies and reforms, yet these also do not necessarily reflect country-level impacts.¹¹⁴ A more robust results narrative is needed to demonstrate how MDBs are contributing to transformative policy change at the country level.

Despite these challenges, new analytical products and approaches are laying the groundwork for better co-ordination in supporting an enabling environment for implementation of NDCs.

The ADB's Country Partnership Strategies now identify where analytical and advisory work is delivered in partnership with other organisations through a strategic framework.¹¹⁵ The World Bank's Country Climate and Development Reports (CCDRs) are contributing to greater coherence by consolidating the knowledge work produced by other institutions and used by other MDBs to guide strategy and project design. CCDRs can inform support for policy actions that contribute to the delivery of NDCs; they can also play an important role in developing LTS (Box 5).¹¹⁶ Nevertheless, considerable opportunities remain to further leverage partnerships for knowledge, including with UN entities and the International Monetary Fund.

¹¹³ Independent Evaluation Group (2022) "Results and Performance of the World Bank Group 2022" [Results and Performance of the World Bank Group 2022](#)

¹¹⁴ MOPAN (2024) "MOPAN Assessment of EBRD" (forthcoming)

¹¹⁵ Asian Development Bank (2021) "Asian Development Bank Knowledge Management Action plan (2021-25) – Knowledge for a Prosperous, Inclusive, Resilient and Sustainable Asia and the Pacific" [Knowledge Management Action Plan 2021–2025: Knowledge for a Prosperous, Inclusive, Resilient, and Sustainable Asia and Pacific \(adb.org\)](#)

¹¹⁶ World Bank Group (2023) "Climate and Development: An Agenda for Action – Emerging Findings from WBG 2021-22 Country Climate and Development Reports" [openknowledge.worldbank.org/server/api/core/bitstreams/2df5ceb2-4b98-595f-b384-4b9590c5388a/content](#)

Box 5: World Bank Country Climate and Development Reports – A Case Study from Morocco

The World Bank's Country Climate and Development Report (CCDRs) are the most comprehensive climate change diagnostic among the MDBs, and feeds directly into the design of Country Partnership Frameworks (CPFs). CCDRs are complemented by targeted analytical work and advisory products delivered by the IFC and the World Bank, which also make an important contribution to policy reform and capacity development in the context of climate change.

CCDRs start from each countries' own development priorities and climate commitments to identify the most effective actions they can take to achieve a low-carbon, resilient transition. The CCDRs can also be used to help countries prepare and implement NDCs and LTSs. They centre on the impacts on people and communities and identify options to build resilience. Overall, they provide policy makers with a series of robust, evidence-based policy recommendations to support an enabling environment for climate action. As of end January 2024, CCDRs covering 42 economies are publicly available.

The Independent Evaluation Group (IEG) has indicated that CCDRs provide a valuable diagnostic for countries, illustrating the impact of various policy scenarios and potential trade-offs. However, progress on some issues such as carbon taxes is subject to the political economy in context. Furthermore, there is room for CCDRs to better address emerging issues going forward, including: (i) the creation of an enabling environment for private-sector climate action; (ii) options to increase institutional capacity; (iii) opportunities for more broadly challenging sectors – agriculture, transport, forestry and adaptation; and (iv) options for financing pathways to net-zero transition.

In Morocco, the World Bank's 2022 CCDR guided the development of a USD 350 million Program-for-Results financing programme to support critical policy activities and institutional strengthening to support the delivery of Morocco's NDCs and strengthen the climate resilience of vulnerable groups. The programme aims to mainstream climate policies across government and strengthen government co-ordination to accelerate climate transition. The support combined a series of policy tools, data management tools, institutional capacity development, and support for inter-ministerial co-ordination structures and nature-based solutions. Overall, it sought to ensure that the national budget reflects measurement and financing for national climate priorities. It complemented other World Bank Group engagements and financing to support climate transition across the water, agriculture, social protection and health sectors.

Source: <https://www.worldbank.org/en/news/feature/2022/07/13/what-you-need-to-know-about-country-climate-and-development-reports>; The World Bank Reinforces its Support to Morocco's climate policies

Programmatic approaches are a potential means of understanding how MDB knowledge and analytical support contributes to the creation of an enabling environment over time. As part of its new mission and vision, the World Bank Group has introduced Knowledge Compacts linked to Global Challenge Programmes (GCPs), reflecting global public goods. Knowledge Compacts will build long-term knowledge partnerships with governments and other partners to address complex global challenges through a system-wide approach.¹¹⁷ Compacts will include impact evaluation tools to understand how these activities are contributing to transformative change. The Knowledge Compacts and GCPs build upon the World Bank's experience in responding to the COVID-19 pandemic through its Multi-Phase Approach (MPA). The MPA enabled the Bank to engage countries through a series of linked investment and capacity development interventions under a long-term, flexible programme.¹¹⁸

At COP28, the MDBs announced a new Joint MDB LTS Programme.¹¹⁹ This programme will help co-ordinate support to countries and sub-national entities for the formulation of Long-term, Low Emissions Development Strategies and LTS. These strategies will contribute to an enabling environment for promoting decarbonisation, climate resilience and just transition. This programme is potentially an important step forward in demonstrating the joint contribution of MDBs in supporting an enabling environment for climate mitigation and adaptation through a more co-ordinated, coherent approach.

¹¹⁷ World Bank Group (2023) "Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution" <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>

¹¹⁸ MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19" <https://www.mopanonline.org/analysis/items/lessons-in-multilateraleffectiveness-covid-19.htm>

¹¹⁹ European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](https://www.eib.org/en/press-releases/2023/09/cop28-multilateral-development-banks-boost-joint-action-on-climate-and-development)



Image credit: Kateryna Hliznitsova, Unsplash

2. Concessional finance remains fragmented, can incur transaction costs for access and is not optimally positioned to catalyse investment.

Overall public sector financing for climate mitigation and adaptation in developing countries has nearly doubled since 2013 yet remains inadequate. Developed countries mobilised USD 89.6 billion for climate action in developing countries in 2021, which was still below the USD 100 billion goal set for 2020.¹²⁰ Public climate finance accounts for the majority of overall climate finance at 81.7% (USD 73.2 billion), including USD 34.5 billion in bilateral public finance and USD 38.7 billion in multilateral finance.¹²¹ It includes primarily concessional loans, grants, equity finance, with nearly 70% provided through loans and 27% provided through grants. The proportion of grants to loans has remained relatively stable since 2019.

Current public sector climate finance remains fundamentally inadequate to address mitigation and adaptation needs in developing countries. The IPCC estimates that to deliver on the Paris Agreement goals, global mitigation investment must increase by between three and six times globally and even more for developing countries. The NDCs of African countries indicate that existing climate finance would need to be scaled up by a factor of nine.¹²² These estimates reflect conditional commitments that rely directly on the provision of external finance for their implementation. A key challenge is the difficulty of predicting adaptation needs and costs, which will increase with every increment of global warming.

¹²⁰ OECD (2023) "Climate Finance Provided and Mobilised by Developed Countries in 2013-2021: Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance" [Climate Finance Provided and Mobilised by Developed Countries in 2013-2021 : Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance | Climate Finance and the USD 100 Billion Goal | OECD iLibrary \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/climate-change/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2021-aggregate-trends-and-opportunities-for-scaling-up-adaptation-and-mobilised-private-finance)

¹²¹ Ibid.

¹²² Intergovernmental Panel on Climate Change (2022) "Climate Change 2022: Impacts, Adaptation and Vulnerability" [Climate Change 2022: Impacts, Adaptation and Vulnerability | Climate Change 2022: Impacts, Adaptation and Vulnerability \(ipcc.ch\)](https://www.ipcc.ch/report/2022-impacts-adaptation-vulnerability/)

Public climate financing favours mitigation activities in specific regions and sectors. Mitigation finance continues to account for 60% of overall climate finance. Although adaptation finance has grown in absolute terms since 2016, adaptation finance declined by USD 4 billion in 2021.¹²³ Mitigation finance has been concentrated in the energy and transport sectors, whereas other sectors account for a small percentage each (approximately 6%). This finance has been concentrated in Asia and MICs, driven by stronger and more bankable project pipelines. By contrast, adaptation finance tends to be more prevalent in LICs and Oceania, where it accounts for over 50% of overall climate finance.¹²⁴ Mitigation projects, often in the energy sector, are typically financed through loans, whereas adaptation projects, which tend to be smaller and more fragmented across sectors, often rely on grants.¹²⁵

Concessional finance is critical for supporting net-zero transition and addressing the impacts of climate change. MOPAN's 2021 climate change study noted the importance of concessional finance in addressing three critical needs: (i) supporting adaptation and resilience activities in LICs, vulnerable countries and SIDs; (ii) addressing policy and regulatory bottlenecks to net-zero transition and private investment; and (iii) mobilising private sector investment by supporting project development and de-risking. Partnerships that enable MDBs to channel these resources are essential but require co-ordination to prevent fragmentation.

MDBs help channel concessional resources to countries for otherwise unfeasible climate mitigation and adaptation action. Concessional resources that are provided as loans, grants, guarantees, or equity make investments possible where countries are otherwise unable to finance them. Beyond investment finance, concessional resources can also support project preparation and policy reforms that catalyse additional public and private sector climate investment.¹²⁶ These activities help establish the economic justification and evidence base to introduce innovative technologies at scale. First-loss guarantees, and other risk-sharing instruments play a particularly important role in mobilising private sector climate finance.

MDBs channel concessional support through a range of mechanisms. Large-scale windows such as the International Development Association (IDA) and the African Development Fund provide concessional loans and grants at scale to the poorest countries.¹²⁷ Additionally, MDBs manage a wide range of single and multi-donor trust funds that are earmarked to address specific themes and/or specific geographic areas, which are a key source of blended finance. Some technical assistance funds, such as the ADB's Climate Change Fund (CCF) and IFC's Funding Mechanism for Technical Assistance and Advisory Services (FMTAAS), are funded through MDBs' own administrative resources.¹²⁸ MDBs are also implementing entities for different VFs that address climate change. For some of these funds, the World Bank also serves as trustee.¹²⁹

¹²³ OECD (2023) "Climate Finance Provided and Mobilised by Developed Countries in 2013-2021: Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance" [Climate Finance Provided and Mobilised by Developed Countries in 2013-2021 : Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance | Climate Finance and the USD 100 Billion Goal | OECD iLibrary \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/climate/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2021-aggregate-trends-and-opportunities-for-scaling-up-adaptation-and-mobilised-private-finance)

¹²⁴ Ibid.; Independent High-Level Expert Group on Climate Finance (2022) "Finance for Climate Action – Scaling Up Investment for Climate and Development"; UNFCCC Secretariat (2022) "Report of the Standing Committee on Finance" [Report of the Standing Committee on Finance \(unfccc.int\)](https://unfccc.int/standings-committee-on-finance)

¹²⁵ Ibid.

¹²⁶ OECD (2023) "Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers" [17a88681-en.pdf \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/climate/scaling-up-the-mobilisation-of-private-finance-investment-for-climate-action-in-developing-countries-challenges-and-opportunities-for-international-providers)

¹²⁷ <https://ida.worldbank.org/en/home>;

¹²⁸ Asian Development Bank (2020) "Performance Evaluation Report – Climate Change Fund 2008-2019" [ccf-pper_6.pdf \(adb.org\)](https://www.adb.org/publications/performance-evaluation-report-climate-change-fund-2008-2019); MOPAN (2023) "Assessment Report – International Finance Corporation" (forthcoming).

¹²⁹ World Bank Group (2019) "Financial Intermediary Fund Management Framework" [google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewiUpJa28oyCAXWUVaQEHOwdA_AQFnoEC-BYQAO&url=https%3A%2F%2Fdocuments.worldbank.org%2Fen%2Fpublication%2Fdocuments-reports%2F-documentdetail%2F286451569595398435%2Ffinancial-intermediary-fund-management-framework&usq=AOvVaw-ZziuBLMnb9u0cO6h7uC6lH&opi=89978449](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewiUpJa28oyCAXWUVaQEHOwdA_AQFnoEC-BYQAO&url=https%3A%2F%2Fdocuments.worldbank.org%2Fen%2Fpublication%2Fdocuments-reports%2F-documentdetail%2F286451569595398435%2Ffinancial-intermediary-fund-management-framework&usq=AOvVaw-ZziuBLMnb9u0cO6h7uC6lH&opi=89978449)

The overall scale of concessional finance for climate remains inadequate. An estimated USD 150-200 billion annually in concessional financing will be needed by 2030 – more than four times the current level.¹³⁰ Partnerships and mechanisms through which existing concessional finance is channelled must, therefore, work efficiently and target the greatest needs and opportunities for impact.

Challenges of supporting climate mitigation and adaptation through concessional fund windows

Large concessional windows are critical for providing concessional finance at scale in a flexible way. MDBs can obtain financing reflows through lending activities that complement donor replenishments. Increasingly, these windows also adopt hybrid financial models that allow them to scale up donor contributions through market borrowing.¹³¹ For example, the IDA-18 hybrid financial model has enabled the World Bank to scale donor contributions by a factor of 5 through market mechanisms, greatly expanding the overall concessional finance available to LICs to address development challenges.¹³²

However, using large concessional windows to address climate change mitigation and adaptation comes with significant challenges. Often, these resources are only available to LICs and MICs that face challenges of creditworthiness. While most stakeholders note that these resources should be available first and foremost to LICs, concessional finance is still also inadequate for MICs. Although there are more bankable projects in these contexts, concessional finance is still essential to incentivise public investment in addressing climate change and crowding-in private investment.

Using large concessional windows to provide incentives for LICs may also become more challenging. These resources are often subject to capped performance-based allocations. Given increasingly unsustainable levels of sovereign debt in LICs, there is more limited fiscal space and limited incentives to use these concessional resources to address climate change relative to other development challenges. This challenge points to the need for large-scale replenishments of these windows in the coming years if they are to sustain climate change action across developing countries.

Donor trust fund transaction costs can result in missed opportunities

Donor trust funds provide mutual benefits to MDBs and donors in addressing global challenges. MDBs benefit from access to concessional resources to engage in activities – research, analytical, project preparation and capacity development – that may not be financed otherwise. They also support the provision of blended finance, enabling investments with climate benefits that would not be viable otherwise. Donors benefit from MDBs' country presence, technical expertise, project design, implementation capacity, and strong partnerships with developing country governments and other actors. MOPAN assessments have found that these partnerships are often well-defined, centred around a clearly defined comparative advantage and providing relatively efficient mechanisms for channelling resources.

¹³⁰ Bhattacharya A, Songwe V, Soubeyran E and Stern N (2023) "A climate finance framework: decisive action to deliver on the Paris Agreement – Summary" [A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf \(lse.ac.uk\)](https://documents1.worldbank.org/curated/en/163861645554924417/pdf/IDA20-Building-Back-Better-from-the-Crisis-Toward-a-Green-Resilient-and-Inclusive-Future.pdf)

¹³¹ International Development Association (2019) "Investing in Growth, Resilience and Opportunity"

¹³² World Bank Group (2022) "Building Back Better from the Crisis: Toward a Green, Resilient and Inclusive Future" <https://documents1.worldbank.org/curated/en/163861645554924417/pdf/IDA20-Building-Back-Better-from-the-Crisis-Toward-a-Green-Resilient-and-Inclusive-Future.pdf>; MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>

However, donor trust funds can also be highly fragmented, which yields inefficiencies. Across the MDBs, over 50 individual and multi-donor trust funds address various aspects of climate mitigation and adaptation. The World Bank has sought to consolidate existing trust funds under shared governance structures or to limit the creation of new single-donor trust funds, consolidating them into umbrella programmes to reduce fragmentation in governance structures and reporting requirements, for example.¹³³ This has also enhanced the predictability of fund availability and has reduced transaction costs. However, whereas the majority of funds are housed under three cross-cutting facilities, climate mitigation and adaptation funds remain disbursed across the Umbrella Fund portfolio, reflecting the cross-cutting nature of this issue.¹³⁴

Differences in donor fund governance and administration create inefficiencies. These funds can be allocated through MDBs' own institutional processes or external, standalone processes that are administered by donors. The greatest efficiency is achieved where approvals are delegated to the MDBs.¹³⁵ This has been noted as one of the benefits of funds such as the ADB's CCF, which is funded through the ADB's own administrative resources.¹³⁶ External approval structures can introduce a wide range of different administrative requirements, transaction costs and lack of predictability over timelines.¹³⁷ They may also require consultants to navigate these systems. Even with the full delegation of approvals, fund disbursement may still depend on external review processes managed by individual donors, which creates unpredictability.

Onerous procedures can limit the uptake of some funds. Some stakeholders report that they "shop" for trust funds having the most streamlined processes. Some funds can get negative reputations and be avoided. This creates missed opportunities in an environment where access to concessional resources is already constrained.

Harmonisation, streamlining and scaling through Vertical Funds

VFs offer a unique comparative advantage for supporting climate change mitigation and adaptation.

They offer highly concessional funds at a large scale to support climate-related investments not otherwise bankable, exceeding the support available through donor trust funds. Their level of concessionality is higher than that of large MDB concessional windows, positioning them to play a role in highly transformational projects. VFs are also the main source of concessional finance to MICs (approximately 84% of their approvals).¹³⁸ MDBs are implementing entities for the VFs, including the Climate Investment Funds (CIF), Green Climate Fund (GCF) and Global Environment Facility (GEF).¹³⁹ The collaboration enables the MDBs to engage in operations that would otherwise not fall within their risk appetite.

VFs yield important demonstration effects, coupled with strong systems for evaluation and learning. Innovative research and projects that would not be bankable otherwise can produce demonstration effects, which provide proof of concept for new technologies and approaches and allow for their application and scaling in other contexts. The CIF, GEF, and GCF also have robust evaluation and learning platforms that focus on outcomes and transformation, including support for adaptive programming.

¹³³ World Bank Group (2021) "Lessons from the Umbrella Funds 2.0 Transition" [2021 Trust Fund Annual Report: Lessons from the Umbrella 2.0 Transition \(worldbank.org\)](#)

¹³⁴ World Bank Group (2021) "World Bank Climate Change Trust Funds" [SCALE-2-Page-Final-Oct22.pdf \(worldbank.org\)](#)

¹³⁵ Asian Development Bank (2016) "Effectiveness of Asian Development Bank Partnerships" [tes-partnerships_6.pdf \(adb.org\)](#); Decisions around allocation proceed through MDBs' existing systems.

¹³⁶ Asian Development Bank (2020) "Performance Evaluation Report – Climate Change Fund 2008–2019" [ccf-pper_6.pdf \(adb.org\)](#)

¹³⁷ Asian Development Bank (2016) "Effectiveness of Asian Development Bank Partnerships" [tes-partnerships_6.pdf \(adb.org\)](#); Independent Development Evaluation (2021) "Evaluation of the Partnerships of the AfDB (2008–2019)" https://idev.afdb.org/sites/default/files/documents/files/Partnerships%20of%20the%20AfDB%20Group%20%28En%29_Web.pdf

¹³⁸ Lee, Landers and Matthews (2023) "Concessional Climate Finance – Is the MDB Architecture Working?"

¹³⁹ The MDBs are also implementing entities for the Adaptation Fund, but only IFAD has significant numbers of ongoing projects.

The GCF and GEF Project Cycles, for example, integrates adaptive management through monitoring and risk flagging of operations.¹⁴⁰ These functions fill gaps in MDB monitoring and evaluation systems regarding climate change results (detailed discussion below). The GEF also holds annual formal bilateral exchanges with implementing agencies to discuss portfolio progress.

VFs can promote collaboration with MDBs and other development partners in delivering on country-owned plans and priorities. The GEF also holds annual formal bilateral exchanges with implementing agencies to discuss portfolio progress. VF processes ensure a high level of country ownership for supported interventions. The CIF's Country Programme approach, for example, supports effective MDB collaboration through a pipeline of projects responding to national priorities, including for the installation of renewable energy generation capacity, decommissioning of coal power and just transition. The predictability and flexibility of funds provide a means for MDBs to co-finance a programme of complementary projects rather than implementing a project-by-project approach.¹⁴¹ The CIF is increasingly applying this approach in the context of JETPs, providing a means of driving system-wide co-ordination (Box 6). The GCF and GEF are now piloting a similar programmatic approach as part of their Long-Term Vision on Complementarity and Coherence.

Box 6: The role of blended concessional finance in supporting just transition in South Africa

The World Bank approved a USD 497 million project at the request of the Government of South Africa to support its public energy utility, Eskom, to decommission the 56-year-old Komati coal-fired power plant and repurpose the project area with renewable energy and batteries while creating opportunities for workers and communities. The project includes a USD 439.5 million World Bank loan alongside a USD 47.5 million concessional loan from the Canadian Clean Energy and Forest Climate Facility (CCEFCF) as well as a USD 10 million grant from the Energy Sector Management Assistance Programme.

The project is consistent with South Africa's updated NDCs and Integrated Resource Plan for the energy sector. Additionally, it will build Eskom's in-house capacity to support the decommissioning of additional coal-fired plants in the future.

Concessional support has been critical to fund various aspects of the project supporting just transition, includes support for workers at the Komati plant through transfers, re-skilling and upskills as well as the creation of economic opportunities for local workers through community development projects and business development services for new and existing MSMEs. In addition to improving the ambient air quality in its area, the project will contribute to improving the quality of surface and groundwater by rehabilitating contaminated areas and removing hazardous waste, including ash dumps.

This project is complemented by a broader initiative to support Just Energy Transition in South Africa. A Just Energy Transition Partnership (JETP) was established by the International Partners Group at COP26 with commitments from the governments of France, Germany, the United Kingdom, the United States, and the European Union to mobilise USD 8.5 billion over of 3-5 years to support the transition plan.

The JETP includes USD 2.6 billion in financing through the CIF Accelerating Coal Transition (ACT) Investment Plan. The ACT Investment Programme provides a large-scale solution to support coal-reliant countries to transition to renewable energy sources with support for governance, people and communities and infrastructure. USD 500 million in CIF funds are expected to catalyse USD 2.6 billion from MDBs, the private sector and government through public-private partnerships. In addition to decommissioning and repurposing the coal power plant, the programme also supports capacity replacement and community development in Mpumalanga province and investments in energy efficiency.

Source: Factsheet: Eskom Just Energy Transition Project in South Africa (worldbank.org); [afdb_cif_annual_report_2022_-_accelerating_coal_transition.pdf](#)

¹⁴⁰ [Project cycle | Green Climate Fund](#)

¹⁴¹ Climate Investment Funds (2020) "COUNTRY SELECTION PROCESS FOR THE CLIMATE INVESTMENT FUNDS' NEW STRATEGIC PROGRAMS" https://www.cif.org/sites/cif_enc/files/meeting-documents/country_selection_process_for_the_climate_investment_funds_new_strategic_programs_scf.pdf

VFs can bring together a range of stakeholders and cover a wide breadth of activities, with important political considerations. The GEF and the GCF serve as financial mechanisms under the UN Framework Convention on Climate Change (UNFCCC), which holds implications for the governance of these funds. They are accountable to the United Nations and their governance structures bring together a wide range of parties (194 for the GCF and 186 for the GEF). This governance modality plays an important role in promoting partnerships, ownership and inclusion, but can make decision-making more complex. The GEF retains a unique differential as the financial mechanism for five different UN conventions and through its support for other global environmental issues using integrated programming.¹⁴² The GCF is the only financing mechanism whose sole mandate is to serve the UNFCCC. It has a unique mandate to allocate 50% of its resources to climate adaptation projects, but its “full spectrum” operating model (broad geographical and thematic mandate and wide range of institutional partnerships) creates some duplication.¹⁴³

Other funds can have very different governance and operating models. The CIF has a fundamentally different governance framework that is geared toward dialogue, partnership, transparency and agility. Its two main funds are governed through Trust Fund Committees with 16 seats that balance contributing and recipient countries. Its Strategic Climate Fund is further supported by sub-committees and technical committees comprising 12 members following the same principles. The CIF differential stems from its unique country-driven model and its work with six MDBs as implementing entities through tailored processes. Although the CIF was intended to be a temporary mechanism while the GCF was established, the CIF governing body chose to indefinitely postpone implementation of its sunset clause in 2019.¹⁴⁴ This was requested by countries partly due to its unique operating model.

Reliance on donor replenishments and limited diversification among key donors can further fragment concessional funds. Across the CIF, the GCF and the GEF, the top 5 donors account for the vast majority of contributions at 86.7%, 76.7% and 64.09%, respectively.¹⁴⁵ The GEF is the only VF to attract donors from emerging economies that also have high emissions. However, the actual shares of the GEF-8 replenishment among Brazil, China, India, and South Africa accounted for merely 1.36% of total shares across 29 countries.¹⁴⁶ These VFs rely to varying degrees on donor replenishments. The CIF (aside from specific GEF Funds) is the only fund without a regular replenishment cycle. Loans make up approximately 70% of its commitments, providing additional financial sustainability linked to loan reflows. In 2024, the CIF will seek to launch the CIF Capital Market Mechanism (CCMM), which will be used to issue bonds in capital markets that are expected to allow the CIF CTF to commit USD 500 million a year for 10 years to support clean technology projects in LICs and MICs.¹⁴⁷

VF internal processes can result in heavy transaction burdens for MDBs. Stakeholders perceive project approval and administration processes of some VFs to be long, complex, and unpredictable. To navigate them, some MDBs report spending large sums in consultancy fees. They note that it typically takes two years for steering committees to approve programmes and projects – which then need to be approved by the relevant MDB executive board.¹⁴⁸ Furthermore, after approval, many projects take longer than one year to disburse. Some MDB stakeholders noted limited incentives to engage with specific VFs because

¹⁴² [Conventions | GEF \(thegef.org\)](https://www.thegef.org/conventions)

¹⁴³ Green Climate Fund (2023) “Second Performance Review of the Green Climate Fund” [Second Performance Review \(SPR\) of the Green Climate Fund | Independent Evaluation Unit | Green Climate Fund](#)

¹⁴⁴ Ibid.

¹⁴⁵ Climate Investment Funds (2023) “Impact. Delivered. CIF Annual Report 2022” [cif_annual_report_2022_fi-nal_03_270623.pdf \(d2qx68gt0006nn.cloudfront.net\)](#);

¹⁴⁶ Global Environment Facility (2022) “SUMMARY OF NEGOTIATIONS OF THE EIGHTH REPLENISHMENT OF THE GEF TRUST FUND” [EN_GEF_C.62_03_Summary_of_Negotiations_of_the_8th_Replenishment_of_the_GEF_Trust_Fund_.pdf https://www.cif.org/news/all-eyes-cif-capital-markets-mechanism-2024](#)

¹⁴⁷ MOPAN (2018) “MOPAN Assessment Report – Global Environment Facility” <https://www.mopanonline.org/assessments/gef2017-18/index.htm>; See advice from the NDC Partnership: [Climate Investment Funds \(CIF\)- Clean Technology Fund \(CTF\) | NDC Partnership](#); Green Climate Fund (2023) “Independent Evaluation Unit: Second performance review of the Green Climate Fund” [Second Performance Review of the Green Climate Fund](#)

the processing time and transaction costs outweigh the scale of finance provided. By contrast, in 2022, World Bank projects took 12 months on average to move from concept to board approval and 4.2 months to move from approval to disbursement.¹⁴⁹ Although the institutional context is very different, and factors from both sides can contribute to delays, long processing timeframes run counter to the ongoing pressure on MDBs to streamline their internal processes and decision-making timeframes.

Beyond their different governance models, the diversity of VF partners can create challenges for streamlining processes. The GEF works with 18 executing agencies across the UN, MDBs, national entities and international NGOs.¹⁵⁰ The GCF works with over 100 accredited entities, including private sector actors and Direct Access Entities (DAE). Such diversity limits VFs' ability to align their processes to those of their partners and can require lengthy accreditation processes. By contrast, the CIF engages with six MDBs as implementing entities, all with similar institutional contexts. Thanks to this more limited scope of partners, CIF has been able to adopt processes that reflect MDBs' systems, limiting transaction costs relative to other mechanisms. The GCF's equal focus on mitigation and adaptation, which often involves smaller-scale interventions and project-by-project decisions, can have important consequences for efficiency.

Heavy procedural burdens may undermine the targeting of some VFs by making it more challenging for some partners to engage. There is a disconnect between the top ten recipients of adaptation finance from the CIF and GCF and the top ten countries that are the most vulnerable to climate change impacts and least prepared to adapt.¹⁵¹ Whereas the CIF country programme approach provides unique value, it can create challenges for engaging with LICs having more limited institutional capacity. Among other VFs, long, complex and unpredictable processes can cool the private sector's appetite to engage. For GCF, National Designated Authorities (NDAs) can face challenges in engaging and are sometimes bypassed by applicants, which undermines national ownership for projects.¹⁵² Ultimately, heavy institutional processes can have undesirable consequences for targeting, inclusion and incentives to engage.

There are opportunities to better position VFs for catalysation and scaling, positioning them for broader impact. Currently the VFs report on the amount of finance mobilised from public and private sources, including the funds from partners such as MDBs. They use different methodologies for reporting expected ratios of between 1:2.9 for the GCF, 1:8.2 (actual) for the GEF and 1:10.5 (actual) for the CTF.¹⁵³ However, the emphasis on mobilisation tells only part of the story. The VFs play a vital role in catalysing investment through upstream activities such as research and development that help scale new approaches and contribute to mobilising funds beyond individual projects, but the funds for such activities tend to be available only on a much smaller scale.

¹⁴⁹ MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>

¹⁵⁰ <https://www.thegef.org/partners/gef-agencies>; <https://www.greenclimate.fund/about/partners/ae>; <https://www.greenclimate.fund/eda>

¹⁵¹ Lee, Landers and Matthews (2023) "Concessional Climate Finance – Is the MDB Architecture Working?"

¹⁵² Green Climate Fund (2023) "Second Performance Review of the Green Climate Fund" [Second Performance Review \(SPR\) of the Green Climate Fund | Independent Evaluation Unit | Green Climate Fund](#)

¹⁵³ Data from CIF

Greater emphasis on catalysation could help scale adaptation finance and address mitigation in challenging sectors. There is a known financing gap for sectors such as agriculture, transport, forestry, and other land use and for climate adaptation activities broadly. This is partly due to the absence of pipelines of bankable projects. Although the need for mitigation finance is ongoing, including to finance renewable energy projects, many technologies are now more competitive and can be financed by the private sector.¹⁵⁴ Targeted concessionality is still needed in renewable energy, particularly as part of coal power phase-out. Beyond this, concessional finance is critically needed to support upstream activities in other sectors that expand opportunities for MDBs to engage on a larger scale.

Opportunities exist to further scale up donor contributions to VFs through different financial instruments. Over 80% of VF commitments take the form of grants, which provide fewer opportunities for mobilisation and scaling.¹⁵⁵ By contrast, loans comprise the majority of CIF commitments, enabling it to pursue a new financial model that limits its dependence on donors. The GEF's experience in piloting a small window for non-grant instruments has also been very positive, yielding a mobilisation ratio of 1:21.5 (actual). Beyond loans, VFs have made limited use of guarantees. Portfolio guarantees could enable MDBs to scale up additional climate resources and mobilise resources from institutional investors. Project-level guarantees could be used to enhance private sector engagement, including insurance providers, similar to the way that MDBs such as the IFC, EBRD and IDB Invest are promoting private investment in the most challenging markets.¹⁵⁶

Ultimately, there is vital need to increase the scale of concessional resources to catalyse climate investment and channel them efficiently and effectively. Each of the different mechanisms for channelling these resources through the MDBs has a role to play. However, it will be increasingly important to ensure that the governance of these mechanisms does not introduce unnecessary fragmentation and transaction costs, which threaten the scale of impact that these scarce funds can achieve.

3. MDBs are not working systematically through a “whole-of-institution” approach to enable private climate action.

Mobilising private climate finance at a larger scale is essential to meet the Paris Agreement objectives. There is not enough bilateral and multilateral finance to meet all climate adaptation and mitigation finance needs. MOPAN's 2021 climate change study highlighted that NDCs' financing arrangements need to consider the role of private investment. Since then, the private sector has included national co-ordination increasingly to the design and implementation of NDCs and LTS, helping to ensure that they meet investors' critical requirements.¹⁵⁷ Creating an enabling environment for climate mitigation, adaptation, and resilience involves enabling private investment by increasing access to blended finance as well as making reforms in key sectors, such as the introduction of cost-reflective energy tariffs.¹⁵⁸

¹⁵⁴ MOPAN (2021) “Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change” <https://www.mopanonline.org/analysis/items/lessons-in-multilateraleffectivenessclimatechange.htm>

¹⁵⁵ Lee, Landers and Matthews (2023) “Concessional Climate Finance – Is the MDB Architecture Working?”

¹⁵⁶ Inter-American Development Bank (2018) “Introductory Guide to Infrastructure Guarantee Products from Multilateral Development Banks” <https://publications.iadb.org/en/introductory-guide-infrastructure-guarantee-products-multilateral-development-banks>; OECD (2023) “Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers”; [17a88681-en.pdf \(oecd-ilibrary.org\)](https://www.oecd-ilibrary.org/publications/17a88681-en.pdf);

¹⁵⁷ UNFCCC (2023) “2023 NDC Synthesis Report” [2023 NDC Synthesis Report | UNFCCC](https://www.unfccc.int/2023-ndc-synthesis-report)

¹⁵⁸ OECD (2023) “Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers” [17a88681-en.pdf \(oecd-ilibrary.org\)](https://www.oecd-ilibrary.org/publications/17a88681-en.pdf)

Private climate finance is particularly inadequate. Private sector finance represented only 16.1% of overall climate finance in 2021. Absolute levels of private climate finance have stagnated since 2017 and since then, the mobilised amount has actually decreased relative to overall climate finance.¹⁵⁹ The international community has repeatedly called upon MDBs to scale up the mobilisation of private climate investment by providing technical assistance, blended finance, guarantees and de-risking instruments.¹⁶⁰

Private climate finance has been concentrated in renewable energy projects and countries with stronger investment environments. More than half of mobilised private climate finance is concentrated in ten countries with relatively strong regulatory frameworks, human capital, economic infrastructure and integration into global trade frameworks.¹⁶¹ Finance has largely supported renewable energy because bankable projects are more available. Private climate investment for adaptation has been more limited because these smaller projects often lack the required revenue streams to attract it.¹⁶² Having new MDB private sector operations align with the Paris Agreement will better support adaptation by ensuring that investments address considerations to promote resilience.

MDBs catalyse public and private climate investment through policy dialogue, upstream support, advice, and the provision of blended finance. The OECD has emphasised the urgent need to implement policy reform and pipeline development to expand private climate investment and use public resources more efficiently.¹⁶³ The extent to which MDB mandates support this work varies. IFC and IDB Invest primarily engage the private sector but work alongside the World Bank and the IDB to provide comprehensive public and private sector support. These institutions implement upstream research and advisory work to help “create markets”.¹⁶⁴ Other MDBs, like the AfDB and the ADB, engage predominantly with governments but may have a smaller scale of private sector operations. EBRD has a unique mandate that enables it to provide substantial support to both government and private sector clients. Its focus on “transition” makes the creation of an enabling environment central to its work.¹⁶⁵ Collectively, these institutions seek to take investment decisions where commercial lenders cannot, providing additionality and supporting market creation.

MDBs have sought to implement “whole-of-institution” approaches that create an enabling environment for investment by aligning public and private sector engagement. This includes designing country strategies that reflect both public and private sector development perspectives. For example, the World Bank Group and the IDB Group have implemented joint country strategies reflecting both public and private sector-facing operations.¹⁶⁶ At the project level, the World Bank Group’s Cascade Approach directs teams to consider whether potential projects could be delivered through the private sector, either directly or following the enhancement of the policy and regulatory environment.¹⁶⁷ The approach is meant to reserve the use of public resources for development challenges that cannot be addressed by the private sector.

¹⁵⁹ OECD (2023) “Climate Finance Provided and Mobilised by Developed Countries in 2013-2021: Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance” [Climate Finance Provided and Mobilised by Developed Countries in 2013-2021 : Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance | Climate Finance and the USD 100 Billion Goal | OECD iLibrary \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/climate/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2021-aggregate-trends-and-opportunities-for-scaling-up-adaptation-and-mobilised-private-finance)

¹⁶⁰ The G20 Independent Expert Group (2023) “The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs”

¹⁶¹ Ibid.

¹⁶² Ibid.

¹⁶³ OECD (2023) “Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers” [17a88681-en.pdf \(oecd-ilibrary.org\)](https://oecd-ilibrary.org/climate/scaling-up-the-mobilisation-of-private-finance-investment-for-climate-action-in-developing-countries-challenges-and-opportunities-for-international-providers)

¹⁶⁴ MOPAN (2023) “MOPAN Assessment Report – IFC” <https://www.mopanonline.org/assessments/ifc2021/index.html>

¹⁶⁵ MOPAN (2024) “MOPAN Assessment of EBRD” forthcoming; <https://www.ebrd.com/who-we-are/history-of-the-ebrd.html#:~:text=The%20EBRD's%20unique%20mandate,democracy%20%5Band%5Dpluralism>.

¹⁶⁶ World Bank Group (2014) “World Bank Group Directive – Country Engagement” [World-Bank-Group-Directive-Country-Engagement.pdf \(worldbank.org\)](https://www.worldbank.org/directive-country-engagement)

¹⁶⁷ World Bank (2018) “Optimising Finance for Development” [Optimizing finance for development \(worldbank.org\)](https://www.worldbank.org/optimizing-finance-for-development); Independent Evaluation Group (2023) “The World Bank’s Approaches to Mobilize Private Capital for Development” [The World Bank Group’s Approach to the Mobilization of Private Capital for Development](https://www.worldbank.org/iea/2023/03/the-world-bank-s-approaches-to-mobilize-private-capital-for-development)

Implementation of these efforts is uneven across the MDBs. EBRD’s country strategies reflect the interaction between the public policy and regulatory context and opportunities for private sector investment, reflecting its unique mandate. The World Bank Group has implemented joint Country Partnership Frameworks (CPFs) since 2015 supported by Country Private Sector Diagnostics (CPSDs) that identify opportunities to promote an enabling environment for investment.¹⁶⁸ By contrast, MOPAN assessments found that IFAD lacks guidelines and diagnostics supporting private sector-focused input into Country Strategy development.¹⁶⁹ Similarly, at the AfDB, private sector experts are unevenly involved in the design of Country Strategies.¹⁷⁰ The ADB’s new operating model seeks to better integrate private sector perspectives into country strategies to support the creation of an enabling environment, acknowledging that this has been a challenge in the past.¹⁷¹

Joint representation at the country-level is a new means through which MDBs are promoting “whole-of-institution” approaches. At the IDB Group, country representatives bring together IDB, IDB Invest and IDB Lab to promote coherence. Furthermore, IDB Invest participates fully in the development of a country development challenges document. However, there remain opportunities to enhance private sector-focused analytical work and private sector considerations in Country Strategy development.¹⁷² This issue will be a key focus in the next IDB Group’s institutional strategy. Box 7 provides two examples of good practice that IDB is seeking to scale in the coming years.

Country strategies often provide limited tangible information about private sector operations. The pipeline and trajectory of private sector operations is often presented vaguely.¹⁷³ Fewer than half of the country strategies reviewed identified critical policy reforms needed to boost investment. This kind of analysis is presented more systematically for MDBs with a specific mandate to engage the private sector – IFC and EBRD – and less systematically for MDBs where private sector expertise is integrated into larger operations – AfDB, ADB and IDB Group. These activities typically address private investment in renewable energy and are more limited for agriculture, transport, forestry and adaptation.

“Whole-of-institution” approaches at project level are rarely implemented systematically. The Cascade Approach has often been implemented in a personality-driven and opportunistic way.¹⁷⁴ Stakeholders indicate that it is unrealistic to apply the model systematically across investments without a broader enabling environment. When the approach is not applied to public sector projects up front, private sector-facing staff have limited means to propose alternatives.

Progress achieved in promoting private climate investment is rarely reflected in accountability and results frameworks. Private capital mobilisation is not reflected in institutional scorecards save for private

¹⁶⁸ MOPAN (2023) “MOPAN Assessment Report – International Finance Corporation”; Joint CPFs cover IDA, IBRD, MIGA and IFC’s activities at country level.

¹⁶⁹ MOPAN (2023) “MOPAN Assessment Report – Inter-American Development Bank” <https://www.mopanonline.org/assessments/idb2021/index.htm>; MOPAN (2023) “MOPAN Assessment Report – IDB Invest” <https://www.mopanonline.org/assessments/idbinvest2021/index.htm>

¹⁷⁰ Independent Development Evaluation (2022) “Evaluation of the AfDB’s Implementation of its NonSovereign Operations (2014–2020)” [NSO-Evaluation-Summary Report-\(En\).pdf \(afdb.org\)](https://www.afdb.org/publications/nso-evaluation-summary-report-en)

¹⁷¹ Asian Development Bank (2019) “Operational Plan for Private Sector Operations 2019–2024” [Operational Plan for Private Sector Operations \(2019-2024\) \(adb.org\)](https://www.adb.org/publications/operational-plan-for-private-sector-operations-2019-2024); Asian Development Bank (2022) “Organisational Review – A New Operating Model to Accelerate ADB’s Transformation Toward Strategy 2030 and Beyond” [Organizational Review: A New Operating Model to Accelerate ADB’s Transformation Toward Strategy 2030 and Beyond](https://www.adb.org/publications/organizational-review-a-new-operating-model-to-accelerate-ADBs-transformation-toward-strategy-2030-and-beyond)

¹⁷² MOPAN (2023) “MOPAN Assessment Report – IDB Invest” <https://www.mopanonline.org/assessments/idbinvest2021/index.htm>

¹⁷³ MOPAN (2023) “MOPAN Assessment Report – IDB Invest” <https://www.mopanonline.org/assessments/idbinvest2021/index.htm>

¹⁷⁴ Independent Evaluation Group (2023) “The World Bank’s Approaches to Mobilize Private Capital for Development” [The World Bank Group’s Approach to the Mobilization of Private Capital for Development](https://www.ieg.org/publications/the-world-bank-group-s-approach-to-the-mobilization-of-private-capital-for-development); MOPAN (2023) “MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development” <https://www.mopanonline.org/assessments/worldbank2021/index.htm>; Group Internal Audit (2022) “Group Internal Audit FY21 Annual Report” [documents1.worldbank.org/curated/en/836201635162866244/pdf/Group-Internal-Audit-GIA-FY2021-Annual-Report.pdf](https://www.worldbank.org/curated/en/836201635162866244/pdf/Group-Internal-Audit-GIA-FY2021-Annual-Report.pdf)

sector-facing organisations like IFC and EBRD.¹⁷⁵ Typically, actual private climate investment mobilised linked to climate is not reflected at all. Fewer than 25% of the country strategies reviewed identify any results measures linked to private capital mobilisation for any sector. ADB reports on the overall mobilisation of private climate investment at corporate level but provides no indication of country-level results or mobilisation in challenging markets.¹⁷⁶ World Bank and IFC project-level results indicators are also rarely adequate to assess whether private sector climate action has been promoted, including through risk-sharing mechanisms and investments in new technology.¹⁷⁷

Institutional incentives often work against “whole-of-institution” approaches. The processes underlying public and private sector operations have important differences. Public sector operations involve a longer-term, relatively stable pipeline identified in agreement with governments. Private sector pipelines are more dynamic and depend on the availability of bankable projects that are quickly converted to investments.¹⁷⁸ Feedback loops through which changes in the investment context can be taken up to adjust country strategies are limited. Because public sector operations are often linked to the relationship between MDB staff and government actors, the incentives to consider opportunities to implement through the private sector are limited.¹⁷⁹ MDB public sector staff tend to have greater country presence and take the lead on the development of country strategies, with dialogue primarily occurring with government officials rather than the private sector.

Analytical work can play an important role in bridging this gap. The World Bank Group’s CCDRs and Country Private Sector Diagnostics (CPSDs) identify opportunities to create an enabling environment for private climate investment that can be taken up in country strategies, including indicators for measuring progress. IFC develops its own country strategies, which are updated every six months to reflect a dynamic investment context and link potential policy reforms to investment opportunities, including with respect to climate. However, how these updates feed back into World Bank Group CPFs is unclear. EBRD’s Enhanced Approach to Policy Engagement uses diagnostic work to integrate policy engagement and investment activities in country operations. Strategies identify strategic opportunities for policy reform and CSDRs identify EBRD’s contribution to putting key reforms in place, without always identifying the implications for increased investment.

MDBs will need to address gaps in co-ordinating public and private sector activities to realise the full value of new investment platforms. As part of its new mission and vision, the World Bank Group is proposing new initiatives to create an enabling environment for private sector climate action.¹⁸⁰ Updated CPSDs will help identify concrete policy interventions that inform policy dialogue and reform with a greater focus on private capital enabling activities in CPFs. New platforms such as the Private Sector Investment Lab will bring together a range of partners to identify actionable and scalable solutions to enhance investment. Finally, IFC is exploring a private to sovereign Climate Financing Investment Fund that will mobilise capital from institutional investors to co-finance green public projects, possibly through an originate-to-share model. Working together more synergistically to create an enabling environment for the private sector is a key priority of the IDB Group’s new Institutional Strategy and its Synergies Framework (Box 7).

¹⁷⁵ OECD (2023) “Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers” [17a88681-en.pdf \(oecd-ilibrary.org\)](#)

¹⁷⁶ Asian Development Bank (2023) “Private Sector Operations in 2022 – Report on Development Effectiveness” [Private Sector Operations in 2022: Report on Development Effectiveness \(adb.org\)](#); Asian Development Bank (2019) “ADB Corporate Results Framework, 2019–2024” [Microsoft Word - Policy Paper ADB Results Framework 2019-2024_Circulation 22 August.docx](#)

¹⁷⁷ Independent Evaluation Group (2023) “Creating and Enabling Environment for Private Sector Climate Action – An Evaluation of World Bank Group Support, Fiscal Years 2013–2022” (forthcoming).

¹⁷⁸ MOPAN (2023) “MOPAN Assessment Report – IFC” <https://www.mopanonline.org/assessments/ifc2021/index.htm>

¹⁷⁹ The G20 Independent Expert Group (2023) “The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs”

¹⁸⁰ World Bank Group (2023) “Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution” <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>

Box 7: Whole-of-institution approaches – good practices from the IDB Group

Coal power phase-out in Chile

In implementing whole-of-institution approaches going forward to mobilise private climate investment, the IDB Group will look to scale up two good practice cases from Chile and Colombia that demonstrate the value of integrated public and private sector programming to address climate mitigation and adaptation.

In 2017, Chile established the “Energy Route 2018-2022,” establishing a push to decarbonise the energy matrix through a binding schedule for dismantling coal-fired power plants. In support of it, IDB engaged with Chile through a “Decarbonisation Working Group,” including a public-private dialogue with the owners of coal-fired power plants to develop a schedule of voluntary commitments to gradually dismantle all coal plants by 2040.

In this context, IDB Invest pioneered a model of incentives for the accelerated retirement of two coal plans in partnership with Engie Energia Chile. Using blended finance from the CIF, a monetisation model for the reduction of GHG emissions was established, replacing coal-fired energy with clean technology. IDB Invest supported the construction of the Calama Wind Farm with blended finance provided by the CIF, contributing to Chile’s energy transition.

The monetisation scheme developed for this project has had a broader impact. Financial institutions are under increasing pressure to divest and withdraw from high-emitting assets. This can impede their involvement with coal outright, even for managed phase-outs. This approach contributed to voluntary guidance from GFANZ on the participation of financial institutions in the managed phase-out of coal power plans in Asia and the Pacific.

Laying the groundwork for private sector involvement in marine conservation in Barbados

In Barbados, IDB implemented a debt-for-nature transaction, issuing a new sustainability bond that allowed Barbados to retire old debt and generate USD 50 million in savings, allocated to the Barbados Environmental Sustainability Fund (BESF), providing funding and technical direction to support locally driven conservation and sustainable development needs for terrestrial and marine ecosystems on the island. IDB will support this through a series of technical engagements to enhance the government’s capacity to implement the fund and deliver strong policies.

The outcomes will allow Barbados to make informed and co-ordinated decisions about how to use the marine space and its inherent resources most efficiently such that conflicts are reduced, marine ecosystems are protected, and sustainable development goals are achieved.

In this context, IDB Invest launched “Business trends in Marine Conservation: Unlocking a Sustainable Blue Economy in Latin America and the Caribbean,” a study providing a framework for evaluating the success of business models in marine conservation areas, considering factors such as sustainability, profitability, and social impact. A framework of key performance indicators was established in line with United Nations Sustainable Blue Finance Principles, laying the groundwork for enhanced private sector involvement in marine conservation.

Sources:

[Innovative Incentives for Early Coal Plant Phase Out: The case of Engie in Chile | IDB Invest; Decarbonization Worktable Ministry of Energy \(energia.gob.cl\); Strengthening Environmental Institutional Capacity in Barbados as part of the Debt for Nature Transaction Commitments - Sostenibilidad \(iadb.org\); Investing in Marine Conservation Makes Business Sense: IDB Invest Report | IDB Invest; GFANZ-Financing-the-Managed-Phaseout-of-Coal-Fired-Power-Plants-APAC-December-2023.pdf \(bbhub.io\)](#)

4. MDBs currently report on climate finance rather than climate results.

The need to scale up climate action and demonstrate results has never been more urgent. The first Global Stocktake discussions at COP28 recognised that human activities have undeniably caused global warming of at least 1.1°C above pre-1900 levels.¹⁸¹ Human-caused GHG emissions rose 12% between 2010 and 2019 alone – faster than for any other decade on record. Emissions reductions for energy generation have not kept pace with rising global emissions from industry, energy supply, transport, agriculture, and buildings’ energy use.¹⁸² Climate risks and projected impacts, including losses and damages, will increase with every increment of warming, disproportionately affecting the world’s most vulnerable, and becoming increasingly unpredictable.¹⁸³

MDBs have focused on measuring the scale rather than the results of climate finance. Through their corporate scorecards MDBs report on overall finance volumes addressing climate mitigation and adaptation alongside targets for growth. Through a joint working group and shared definitions, MDBs report their overall levels of climate mitigation and adaptation finance.¹⁸⁴ This aggregated reporting presents climate finance across a wide range of sectors and activities. In these contexts, climate finance can have direct implications for carbon emissions, or may have more indirect implications (e.g., for communication and awareness raising activities). MOPAN’s previous climate change study emphasised the need to move beyond finance “inputs” to assess results for long-term resilience and transition to carbon neutral growth.

Approaches to measuring climate results through scorecards have been fragmented, with a limited focus on results. To date, MDB corporate scorecards have reflected a wide range of indicators for climate mitigation, adaptation, and resilience, largely reflecting outputs and “beneficiary reach” rather than outcomes (Box 8). Sectors such as transport, agriculture, industry and water get only limited coverage. For areas such as disaster resilience, forest cover and biodiversity, the fragmentation of indicators across institutions has made it impossible to compare what has been implemented. Whereas most scorecards include an indicator of GHG emissions reductions and renewable energy generation, these are ex-ante projections that are not updated after the project has been completed. The absence of targets makes it difficult to understand the scale of emissions reductions or their implications for transformative change at the country level.

¹⁸¹ Intergovernmental Panel on Climate Change (2023) “AR6 Synthesis Report: Climate Change 2023” [AR6 Synthesis Report: Climate Change 2023 — IPCC](#); Intergovernmental Panel on Climate Change (2022) “Climate Change 2022 – Mitigation of Climate Change – Summary for Policy Makers” [Climate Change 2022, Mitigation of Climate Change. Summary for Policymakers \(ipcc.ch\)](#)

¹⁸² Ibid.

¹⁸³ Intergovernmental Panel on Climate Change (2023) “AR6 Synthesis Report: Climate Change 2023” [AR6 Synthesis Report: Climate Change 2023 — IPCC](#); Intergovernmental Panel on Climate Change (2022) “Climate Change 2022: Impacts, Adaptation and Vulnerability” [Climate Change 2022: Impacts, Adaptation and Vulnerability | Climate Change 2022: Impacts, Adaptation and Vulnerability \(ipcc.ch\)](#)

¹⁸⁴ World Bank Group (2022) “Joint Methodology for tracking climate change adaptation finance” [Joint methodology for tracking climate change adaptation finance \(worldbank.org\)](#); International Development Finance Club (2021) “Common Principles for Climate Mitigation Finance Tracking” https://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf

Box 8: MDB Scorecard Indicators (as of December 2023)¹⁸⁵

Level 1							
Indicator	World Bank Group	IDA RMS	IDB Group	ADB	AfDB Group	EBRD	IFAD
CO ₂ emissions	X	X					
CO ₂ emissions per unit of GDP				X	X		
CO ₂ emissions from fuel combustion			X				
Installed renewable energy					X		
Electricity Losses through transmission, distribution and collection					X		
Countries without wealth depletion	X	X					
Countries without natural capital wealth depletion		X					
Average annual deforestation change (%)	X						
Forest area as a proportion of total land cover (%)			X				
Marine protected areas (% territorial waters)	X						
Deaths attributed to climate-related and geophysical hazards				X			
Annual reported economic losses from natural disasters			X				
Share of population with access to clean cooking solutions					X		
Resilience to water shocks					X		
Environmentally sustainable, green economies (transition)						X	
Green Economy transition (% ABI)						X	
Level 2							
Indicator	World Bank Group	IDA RMS	IDB Group	ADB	AfDB Group	EBRD	IFAD
People with enhanced access to transportation services	X				X		
Projected lifetime energy fuel savings	X						
Generation capacity of renewable energy		X	X		X		
Net GHG emissions	X (IBRD/IDA)	X					
GHG emissions avoided (or emissions reductions in energy)			X		X		

¹⁸⁵ World Bank Group (2023) "World Bank Group Corporate Scorecard" <https://scorecard.worldbank.org/en/scorecard/home>; African Development Bank (2017) "THE BANK GROUP RESULTS MEASUREMENT FRAMEWORK 2016-2025 - Delivering the High 5s, Increasing the Bank's Impact on Development" Final - RMF - Rev.2 Final .pdf (afdb.org); Asian Development Bank (2019) "ADB Corporate Results Framework, 2019-2024" Microsoft Word - Policy Paper ADB Results Framework 2019-2024_Circulation 22 August.docx; Inter-American Development Bank Group (2020) "IDB Group Corporate Results Framework 2020-2023: Monitoring our contributions to improving lives in Latin America and the Caribbean" <https://publications.iadb.org/publications/english/document/IDB-Group-Corporate-Results-Framework-2020-2023.pdf>; International Fund for Agricultural Development (2023) "IFAD Results Management Framework Dashboard" <https://www.ifad.org/en/rmf-dashboard>; EBRD (2022) "Strategy Implementation Plan (2023-25)" <https://www.ebrd.com/documents/corporate-strategy/strategy-implementation-plan-202325.pdf>

Total annual GHG emissions reductions	X (WBG)			X			
People provided with clean cooking access					X		
Value of investments in resilient or low-carbon infrastructure			X				
Number of countries with a completed CCDR	X (IBRD/IDA)	X					
Countries institutionalising disaster risk reduction as a national priority	X (IBRD/IDA)						
People with strengthened climate and disaster resilience			X	X			X
People benefitting from strengthened environmental sustainability				X			
Countries supported to update NBSAPs		X					
Habitat that is sustainably managed through ecosystem-based approaches			X				
Land with improved water management					X		
Levels 3 and 4							
Indicator	World Bank Group	IDA RMS	IDB Group	ADB	AfDB Group	EBRD	IFAD
Share of climate-related financing in total commitments	X (WBG/WB)	X					
Share of adaptation co-benefits in supported operations	X (IBRD/IDA)	X					
Committed operations that support climate change mitigation and adaptation			X	X			
Financing for climate change mitigation / adaptation (%)			X	X			
Projects supporting agriculture, forestry, land use and coastal zone management			X				
New operations with climate informed design					X		
Climate-related bank commitments					X		
Climate as a % of Long-Term Finance Own Account Commitments	X (IFC)						
Projects rated MS+ for adaptation to climate change							X
Projects rated MS+ for reducing the impact of climate change							X
Projects rated MS+ for environmental and natural resources management							X
Ha of farmland with water-related infrastructure reconstructed/rehabilitated							X
Number of groups supported to sustainably manage natural resources and climate-related risk							X
Number of persons accessing technology to sequester carbon or reduce GHG emissions							X
Tons of GHG emissions avoided or sequestered							X
Number of persons / households reporting the adoption of environmentally sustainable and climate resilient technologies and practices							X

***EBRD also reports GHG emissions reductions compared to baseline and estimated gross GHG emissions from projects in its annual sustainability report.

****In addition to the WBG Corporate Scorecards, there have been separate complementary scorecards for the World Bank (IBRD/IDA), IFC, and MIGA.

The focus on climate finance has contributed to a further fragmentation of results information. MDB climate finance has more than doubled since 2015, but it is questionable whether this reflects an increase in transformative approaches to addressing climate change or a re-packaging of existing finance. One study found that just 32% of the World Bank's climate-tagged projects are identified as having at least 20% of their total finance address climate-related activities; several projects had just 1-2% climate finance with no clear link to climate-related outcomes.¹⁸⁶ This is particularly important for adaptation finance, which is linked to broader development challenges and often delivered through small-scale projects.

Country-level results frameworks rarely reflect climate change mitigation and adaptation results. MDBs differ on the perceived role of country strategies in reflecting outcomes. Some MDBs note that, given the timeframe and reach of country strategies, they are regarded as promoting alignment only with corporate priorities. Where climate-related objectives and results indicators are identified, they are often narrow in scope. Strategies most typically measure anticipated GHG emissions reductions or increased renewable energy as a proportion of the overall energy mix. Some strategies simply provide an indication of the proportion of climate finance across the country portfolio or of projects with a "climate-informed" design. Outcome-level indicators are particularly rare among agriculture and finance projects, whereas most indicators linked to adaptation and resilience reflect either outputs or beneficiary reach only.

The emphasis on finance and ex-ante reporting has also contributed to weaknesses in project-level monitoring. As noted above, some projects with climate finance may not have any tangible linkage to climate outcomes. Even where a link does exist, projects may not have any actual climate-related indicators in their results frameworks. Stakeholders report that the emphasis on ex-ante reporting limits the incentives for consistent monitoring during implementation, thereby contributing to important data gaps. This is partly because resources are front-loaded to support "tagging and flagging" activities.¹⁸⁷ The resulting data gaps limit opportunities to understand any contributions to transformative changes and identify lessons that can be applied to enhance the impact of future operations.

Strengthening country-level evaluation is important for assessing transformative climate impacts at country level. Self-evaluation tools for operations and country strategies are often streamlined to promote compliance. The timing of their implementation does not position them to reflect on any contribution to sustainable results and transformative impacts. Self-evaluation functions vary across the MDBs; some face compliance gaps or lack a strong corporate practice. Country-level evaluations can examine contributions to transformative climate mitigation and adaptation outcomes across different sectors, but the absence of results indicators and data gaps can make it challenging to assess the results achieved. In the absence of systemic country evaluations, some organisations have produced "insight notes" to capture relevant results and lessons.¹⁸⁸

Some MDBs are implementing approaches to enhance climate results monitoring. Systems such as IFC's AIMM, IDB Invest's DELTA and EBRD's TOMS help identify projects with tangible linkages to climate-related outcomes. These tools also help identify credible results indicators and facilitate monitoring of results throughout implementation. EBRD's GET approach further requires projects to demonstrate a certain level of climate finance before being tagged, and the institution is implementing an MRV approach to facilitate ex-post reporting.¹⁸⁹ The World Bank now requires that all IBRD and IDA projects with 20% or more climate finance include a climate-related indicator from a standardised list in their

¹⁸⁶ Morris, Nunez-Mujica and Ramachandran (2023) "What Counts as Climate – Preliminary Evidence from the World Bank's Climate Portfolio"

¹⁸⁷ MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>

¹⁸⁸ Examples include IEG Insight Reports produced in 2023: FY23: Evaluation Insight Note: Transport Decarbonization; WBG Support to Demand-Side Energy Efficiency; Evaluation Insight Note: Integrating Resilience into Food Security Operations; Reducing Disaster Risks from Natural Hazards.

¹⁸⁹ EBRD (2023) "Sustainability Report 2022" <https://www.ebrd.com/sustainability-report-2022>

results framework.¹⁹⁰ This has contributed to an increase in projects with at least 20% climate finance over time. IFAD is the only MDB that tracks the proportion of projects that successfully contribute to targeted outcomes, incentivizing monitoring throughout implementation.¹⁹¹

Overall, MDBs have not yet cultivated a credible results architecture to assess and report on their contributions to climate adaptation and mitigation outcomes. At COP28, they committed to refine and harmonise their scorecard approaches, moving toward reporting results rather than finance and ex-ante projects. However, weaknesses in project-level monitoring and data may take years to be fully resolved before results can be aggregated. Reforming MDB scorecards will not replace the role of country-level evaluation in reflecting MDBs' contributions to transformative change.

5. MDBs are not optimally positioned to collaborate as a system including through country-led co-ordination mechanisms.

The international community has called for MDBs to work more closely together as a system in addressing climate change. These calls have been driven in part by the recently established JETPs. Whereas donors recognise the potential of this new approach, the International Partners' Group (IPG) cannot at this point expand it to additional countries. Furthermore, the heads of MDBs have committed to enhancing country level collaboration, including working through country-led co-ordination mechanisms.¹⁹² The Joint-MDB Statement at COP28 identified a similar commitment. Other multilateral actors such as the OECD have encouraged bilateral and multilateral actors to collaborate more coherently and systematically through country and regional programmes, including "whole-of-society" platforms that convene the private sector and civil society as well.¹⁹³

A range of approaches are emerging for implementing country-led co-ordination mechanisms. JETPs are increasingly adopting targeted approaches to mobilise private investment increasingly, including through the involvement of the Glasgow Financial Alliance for Net Zero (GFANZ) to bring private sector perspectives to policy, planning and project development.¹⁹⁴ The Egypt Energy-Water-Food Nexus (NWFE) is unique in having no IPG involvement. With EBRD as a leading partner, it serves as a potential model for MDB engagement in country-led co-ordination mechanisms (Box 9).

¹⁹⁰ World Bank Group (2023) "World Bank FY23 Climate-Related Financial Disclosures" <https://thedocs.worldbank.org/en/doc/d48f796cf89c941c8c9563c721829ccc-0340022023/original/World-Bank-Climate-Disclosure-FY23.pdf>

¹⁹¹ International Fund for Agricultural Development (2023) "IFAD Results Management Framework Dashboard" <https://www.ifad.org/en/rmf-dashboard>

¹⁹² Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf](https://www.rockefellerfoundation.org/publications/scaling-the-jetp-model-prospects-and-pathways-for-action/) (rockefellerfoundation.org); Energy Transition Partnership (2023) "JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam" [20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx](https://www.energytransitionpartnership.org/wp-content/uploads/2023/05/20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx) (energytransitionpartnership.org)

¹⁹³ Climate Finance Provided and Mobilised by Developed Countries in 20132021 [e20d2bc7-en.pdf](https://www.oecd-ilibrary.org/finance-and-taxation/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2021_2020d2bc7-en) (oecd-ilibrary.org)

¹⁹⁴ <https://www.gfanzero.com/press/gfanz-forms-working-group-to-support-mobilization-of-private-capital-for-the-indonesian-jetp/>; <https://www.ebrd.com/news/2022/egypts-nwfe-energy-pillar-gathers-international-support.html>;

Box 9: the Egypt Water, Food and Energy Nexus

The Egypt Water, Food and Energy Nexus (NWFE) was established in July 2022 to accelerate Egypt's national climate agenda and transition towards a sustainable, green and resilient economy. It is positioned to attract funds and investments for green projects in critical sectors worth USD 14.7 billion, addressing both climate adaptation and mitigation.

Climate action projects will be implemented under a programmatic approach. Projects will aim to replace inefficient thermal power plants with renewable energy, enhance small farmers' adaptation to climate risks, increase crop yields and irrigation efficiency, build the resilience of vulnerable regions by establishing early warning systems and modernise on-farm practices. The NWFE is expected to unlock at least USD 10 billion in private investment to install 10 GW of renewable energy capacity and retire 5 GW of fossil-fuel plants, in line with Egypt's NDCs.

To support implementation, Egypt has sought to mobilise finance through technical assistance, blended finance, debt swaps and guarantees. There is an ambitious plan to introduce a series of resilience credits designed to enable farmers to secure funding for innovative and regenerative agricultural practices to drive sustainable agriculture.

Unlike JETPs, the NWFE is not supported by the International Partners Group. The EBRD, IFAD and AFDB lead the nexus' three pillars, supported by the World Bank, Glasgow Financial Alliance for Net Zero (GFANZ), HSBC, Citibank and the International Renewable Energy Agency. Multi-stakeholder collaboration is supported by a joint political declaration endorsed by the United States and Germany.

Source: Government of Egypt (2022) "Joint Statement – Egypt's Country Platform for NWFE Programme"; <https://www.ebrd.com/news/2022/egypts-nwfe-energy-pillar-gathers-international-support.html>; How the EBRD became Egypt's leading partner for renewable energy

Applying country-led co-ordination models like the JETP and the Egypt Nexus more broadly will run into several challenges. Few countries currently work through country-led mechanisms that co-ordinate the activities of different development partners across sectors. MOPAN's study on the multilateral response to COVID-19 found the presence of these co-ordination mechanisms to be highly uneven across countries.¹⁹⁵ Furthermore, the level of country ownership required to make them effective is often lacking. Once the pandemic began to wane, national co-ordination structures started to be dismantled. Establishing mechanisms that facilitate co-ordination across the MDBs, the UN, bilateral partners, and the IMF – all of which have different entry points with national governments and ways of working – is an additional challenge. MOPAN's 2021 climate change study emphasises the great variation in the effectiveness of country-level co-ordination mechanisms to address net-zero transition and long-term resilience.¹⁹⁶

Current MDB approaches to country engagement are not adequate to support country-led co-ordination mechanisms based on the JETP model. MDBs' country engagement models clearly define how they engage with government and other partners in designing country strategies. This co-ordination typically results in a high-level summary of the activities of different partners. MOPAN assessments indicate that engagement with the government continues over the implementation period; however, co-ordination with other partners is often more ad hoc unless operations are co-financed. Furthermore, most MDBs lack means of quickly updating country strategies or restructuring operations to respond to changing conditions and engaging partners in these processes.

Coordination is de-prioritised relative to investment activities and is often not systematic. MDBs often work together through sector co-ordination groups and, less frequently, with other actors. However, there is typically no specific planning, guidelines or defined objectives help shape these activities.¹⁹⁷ Stakeholders have noted that there is limited guidance or training to facilitate a coherent approach to part-

¹⁹⁵ MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19" <https://www.mopanonline.org/analysis/items/lessons-in-multilateral-effectiveness-covid-19.htm>

¹⁹⁶ MOPAN (2021) "Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change" <https://www.mopanonline.org/analysis/items/lessons-in-multilateral-effectiveness-climate-change.htm>

¹⁹⁷ MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>

ner engagement beyond the national government. Lack of country staff and resources can constrain the ability of some MDBs to participate in sector co-ordination activities; incentives firmly favour investment when trade-offs need to be made.¹⁹⁸

The processes for co-financing operations do not support deeper country-led co-ordination. MDB financing, including co-financing where more than one MDB funds the same project, typically proceeds on a project-by-project basis rather than taking a pipeline-driven approach. For some organisations, country programme development guidelines recommend avoiding joint approaches because of procedural complexities.¹⁹⁹ The CIF's programmatic approach has been noted as enabling more effective MDB collaboration around an investment pipeline; however, absent such support, financing tends to be more piecemeal. Currently, MDBs do not track the proportion of their operations implemented through co-financing with other MDBs nor do they implement other means to incentivise it. IFC created the Master Cooperation Agreement (MCA) to streamline co-financing, facilitating more than USD 10 billion in investment in over 30 countries since 2010.²⁰⁰ However, this amount remains modest compared to the overall annual commitments among the MDBs.

Institutional processes need to be streamlined to support co-financing. The Asian Infrastructure Investment Bank (AIIB) together with a range of MDB partners, established co-financing frameworks to define clear parameters for these operations.²⁰¹ During COVID, these frameworks allowed AIIB to collaborate with the ADB in providing budget support that it would not otherwise be able to provide.²⁰² There have also been efforts to develop co-financing platforms that facilitate investment "matching" among MDBs and private investors. Nevertheless, there is broad recognition that co-financing among the MDBs is limited and often bureaucratic, due in part to the complexity of their internal processes for such key functions as procurement.²⁰³ MOPAN's COVID-19 analytical study found that bureaucratic and inflexible systems also create serious challenges for facilitating co-ordination among the MDBs and United Nations entities.

There are opportunities to facilitate broader co-ordination around upstream work to support an enabling environment. Country-led programmes, JETPs and other government-led country-level co-ordination structures require joint work upstream to support needed policy reforms and capacity development for procurement.²⁰⁴ This work is critical to set the groundwork for pipeline development and for attracting private investment. IFC developed the Joint Collaboration Framework Agreement (JCFA) to expand the reach of MCA to new partners and support upstream engagement, but its use and effectiveness remain to be seen.²⁰⁵

¹⁹⁸ MOPAN (2023) "MOPAN Assessment Report – African Development Bank" <https://www.mopanonline.org/assessments/afdb2021/index.htm>

¹⁹⁹ MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>

²⁰⁰ MOPAN (2023) "MOPAN Assessment Report – IFC" <https://www.mopanonline.org/assessments/ifc2021/index.htm>

²⁰¹ <https://www.aiib.org/en/about-aiib/who-we-are/partnership/index.html>; The G20 Independent Expert Group (2023) "The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs"

²⁰² MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19" <https://www.mopanonline.org/analysis/items/lessonsinmultilateraleffectivenesscovid-19.htm>

²⁰³ Asian Infrastructure Investment Bank (2023) "Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact" [Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact - News - AIIB](https://www.aiib.org/en/news/2023/07/20230720-statement-of-the-heads-of-multilateral-development-banks-group-strengthening-our-collaboration-for-greater-impact)

²⁰⁴ Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling the JETP Model: Prospects and Pathways for Action.pdf \(rockefellerfoundation.org\)](https://www.rockefellerfoundation.org/publications/scaling-the-jetp-model-prospects-and-pathways-for-action); Energy Transition Partnership (2023) "JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam" [20230508_Report on JETP experience in SA and Indonesia_ENG.docx \(energytransitionpartnership.org\)](https://www.energytransitionpartnership.org/20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx)

²⁰⁵ <https://www.ifc.org/en/what-we-do/sector-expertise/syndicated-loans-and-mobilization/parallel-loans>

More flexible, co-ordinated and harmonised approaches for allocating concessional finance are needed. Country-led co-ordination like JETPs help political leaders address political economy constraints to coal energy transition by catalysing investment while addressing potential social costs. Cross-ministerial ownership is essential to their success.²⁰⁶ To sustain this ownership and attract the private sector, donors must provide a large, streamlined, harmonised offer of concessional finance to cover significant upfront costs. These mechanisms need a coherent approach to allocating grants and other concessional finance throughout their implementation.²⁰⁷ The absence of a harmonised approach for addressing these needs can lead to fragmentation, delays and transaction costs, eroding their value.

Once a pipeline of projects has been identified, MDBs need a harmonised approach to channel blended finance efficiently. MDBs allocate blended finance in line with the Enhanced Blended Concessional Finance Principles for DFI Private Sector Operations.²⁰⁸ Donors' different standards, approaches and documentation requirements are becoming an emerging challenge. This fragmentation creates confusion and delays, potentially limiting the mobilisation of critically needed private investment.²⁰⁹ IFC's experience with the IDA Private Sector Window demonstrates that large, flexible pools of blended finance can play an important role in scaling up investment in challenging contexts and consolidating good practices and expertise across institutions.²¹⁰

Joint monitoring remains the exception for MDBs rather than the rule. The governance of country-led co-ordination mechanisms requires that means are available for transparent monitoring, evaluation and reporting. This would include systems for jointly monitoring activities to take stock of progress and changing course as needed. MDBs routinely implement monitoring with government partners but joint monitoring of operations with other MDBs is rare for public sector activities in the absence of co-financing, and even rarer in private sector operations. Overall, joint monitoring practices would need to be strengthened, including by providing resources and incentives for implementation.

There are opportunities to scale up good practices to support joint monitoring. MOPAN's COVID-19 Study demonstrated the value of joint monitoring enabled by the Multilateral Leaders' Taskforce, which mobilised critical political will to address bottlenecks in the global supply of vaccines. A similar model may have value for addressing other global challenges such as climate change.²¹¹ Other opportunities for enhancing joint monitoring include building upon national "whole-of-society" platforms to identify and measure climate results in a participatory way. The CIF has recently adopted this approach as part of their country programme in Zambia, including to address outcomes for strengthening adaptation and resilience.

²⁰⁶ International Institute for Sustainable Development (2022) "Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy" [Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy](https://www.iisd.org/publications/just-energy-transition-partnerships) | International Institute for Sustainable Development (iisd.org);


²⁰⁷ Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf](https://www.rockefellerfoundation.org/publications/scaling-the-jetp-model-prospects-and-pathways-for-action) (rockefellerfoundation.org); Energy Transition Partnership (2023) "JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam" [20230508_Report on JETP experience in SA and Indonesia_ENG.docx](https://www.energytransitionpartnership.org/20230508_Report_on_JETP_experience_in_SA_and_Indonesia_ENG.docx) (energytransitionpartnership.org)

²⁰⁸ <https://www.ifc.org/en/what-we-do/sector-expertise/blended-finance/how-blended-finance-works>

²⁰⁹ European Investment Bank (2023) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report" [2022-dfi-bcf-working-group-joint-report.pdf](https://www.eib.org/~/media/DFI-Working-Group-on-Blended-Concessional-Finance-for-Private-Sector-Projects-Joint-Report-2022-dfi-bcf-working-group-joint-report.pdf) (eib.org)

²¹⁰ MOPAN (2024) "MOPAN Assessment Report – IFC"

²¹¹ MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19" <https://www.mopanonline.org/analysis/items/lessons-in-multilateraleffectiveness-covid-19.htm>



**CONSIDERATIONS FOR MDB
REFORM: SCALING-UP GOOD
PRACTICES TO ADDRESS
EMERGING CHALLENGES FOR
CLIMATE MITIGATION, ADAPTATION
AND RESILIENCE**

Scale up concessional finance, streamline access and position it for catalysation of private capital

Concessional resources need to be allocated efficiently and used to scale climate investment. To meet the goals of the Paris Agreement and avoid disastrous climate impacts, climate finance, including concessional and non-concessional support, needs to be scaled up significantly. This means making more efficient use of available concessional resources, positioning them to attract resources from other actors, targeting them to address the areas of greatest need and making it easier to access them.

Shareholders should support MDBs in their efforts to consolidate and streamline donor trust fund governance. It is important for donors to identify how national priorities can be supported by more streamlined mechanisms – harmonised requirements, processes and monitoring and evaluation frameworks – to limit transaction costs. MDBs should make it more difficult to establish single-donor trust funds, limiting the conditions for doing so.

Framework approaches for blended finance should be expanded. Using programmatic approaches that include standard products, processes, and delegated approvals promotes efficiency, collaboration, and access. EBRD has an emerging good practice in its Green Economy Financing Frameworks.²¹² These frameworks help develop local financing markets for sustainable energy and resource efficiency providing credit lines and technical assistance to local partner financial institutions who support businesses.

Vertical funds should harmonise their processes, building on risk-based approaches to working with partners. At COP28, the CIF, GCF, GEF and the Adaptation Fund committed to harmonise and streamline their processes and identify opportunities for collaboration. Consideration should be given to how processes can be tailored to different partners taking a risk-based approach that uses partner systems and processes where they meet certain requirements. This would help ensure that the processes build upon rather than duplicate MDBs' robust systems. Vertical Funds should benchmark their progress against their partners' targets and adopt more harmonised means of reporting publicly on portfolio management. Lessons from the move toward harmonisation should also be considered in designing the new Loss and Damage Fund.²¹³

Identify opportunities to build on the MDBs' financial frameworks by using different instruments. The experience of the CIF has shown how a greater use of loans can help reduce the reliance on donor replenishments. The climate VFs can also make greater use of portfolio and project-level guarantees to scale up the overall level of capital available for climate mitigation and adaptation with minimal risk. While grants remain essential for LDCs, project-level guarantees and insurance mechanisms, ideally provided in collaboration with IFIs, can help crowd in investment and make more efficient use of resources (Box 10).²¹⁴

²¹² <https://ebrdgeff.com/en/>

²¹³ UNFCCC(2023) "Operationalization of the new funding arrangements, including the fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4" https://unfccc.int/sites/default/files/resource/cp2023_L1_cma2023_L1.pdf

²¹⁴ The G20 Independent Expert Group (2023) "The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs; Independent High-Level Expert Group on Climate Finance (2022) "Finance for Climate Action – Scaling Up Investment for Climate and Development"



Image credit: Casey Horner, Unsplash

Box 10: Green Climate Fund Support to the Green Guarantee Company

The Green Climate Fund recently approved an equity investment of USD 40.5 million to support the Green Guarantee Company (GGC) with further investments of up to USD 82.5 million. This project is an example of how financial instruments beyond grants can be used by Vertical Funds to catalyse investment.

GGC uses blended finance and guarantees to mobilise private climate finance in a range of developing countries, including Indonesia, the Philippines and Brazil who have the appetite to issue green bonds, but experiencing limited growth. GGC helps countries increase access to makers by issuing green bonds and providing guarantees for institutional investors buying green bonds listed on the London Stock Exchange.

GGC aims to leverage an initial USD 100 million from investors to provide up to USD 1 billion in guarantees. As it scales its operations, it targets a guaranteed capacity of USD 5 billion or more by 2035. Guarantees will prioritise green infrastructure, renewable resources, alternative energy and clean transportation. Additionally, GGC will work with bond issuing countries to build their capacity for monitoring and reporting to help make green bonds and loans from development countries a more attractive assets class.

Concessional resources should be targeted to the most critical challenges to catalyse future investment. Emphasising mobilisation may not promote the greatest impact. Additional support is needed for research and development, pipeline development and capacity support for activities and sectors where the lack of bankable projects poses a major barrier for MDBs to engage. This is a critical challenge in scaling up MDB and private sector support for adaptation and mitigation in sectors such as agriculture, transport and industry.

Strengthen the focus on climate results in MDB results architectures

Harmonise MDB scorecard indicators with a focus on ex-post outcomes. At COP28, MDBs committed to harmonising their corporate scorecard indicators and position themselves to demonstrate climate results. In implementing this commitment, the following should be considered.

- ⊕ Assessing the extent to which projects achieve their intended climate outcomes.
- ⊕ Ensuring that different sectors are covered to promote “whole-of-economy” progress.
- ⊕ Beyond aggregating results, demonstrating the contribution to transformative impacts at country level.
- ⊕ Identifying meaningful targets that put “beneficiary reach” indicators in perspective.

Box 11: The World Bank’s Proposed Framework for Measuring Climate Results

The World Bank Group recently proposed a new framework of climate indicators to assess its contribution to climate mitigation and adaptation results. These initial directions are a step toward implementing a key COP28 commitment to harmonise MDB scorecard indicators and shift climate change reporting from finance toward results.

Level	Indicator
Global	Global greenhouse gas (GHG) emissions with the ambition to pursue efforts in line with the Paris Agreement; The number of people that are highly vulnerable to climate risks – an essential consideration for all countries, but particularly those with the greatest development needs.
Institutional	Systematically reporting the emissions footprint of all our financing operations; Tracking how many people are benefitting from resilience building measures from all our financing operations.
Country	Measure results in priority sectors where transitions are necessary to reach net-zero GHG emissions, such as energy, transport, agriculture, urban, and industry, while also tracking how to support the enabling environment; and Measure project results that build climate resilience in key dimensions, such as infrastructure and built environment, ecosystems, people and firms, economic systems, and governance and institutions, to simplify/standardise the vast number of indicators in use.

These indicators move the World Bank toward reflecting climate results on an institutional level. They provide an opportunity to link the emissions intensity of its operations to overall country emissions to assess consistency with long-term low-carbon development pathways. Furthermore, this provides greater context to beneficiary reach for climate resilience by examining global progress in reducing the overall number of people who are highly vulnerable to climate risks.

However, opportunities exist to strengthen this framework further. Beyond measuring the contribution to emissions reductions, it would be important to examine: (i) the number of countries supported whose overall emissions are aligned to low-carbon development pathways, and (ii) the number of countries in which the overall number of people highly vulnerable to climate risks is declining as a proportion of the overall population. This perspective could better reflect the targeting of operations and impacts, with mitigation support yielding results in the highest emitting countries and adaptation support reducing vulnerability in those countries most at risk.

MDBs should also consider aggregated sector-level perspectives. Given the MDBs’ country-driven model, these are rare, but the approach could create institutional incentives to address mitigation and adaptation challenges across a wider range of sectors. This issue is particularly relevant for mitigation, where MDBs have primarily focused on energy sector projects.

Building upon MOPAN’s recommendation to measure progress over time in contributing to an enabling environment for addressing climate change, future indicators could build upon these standardised frameworks to identify the proportion of countries demonstrating improvements in key areas over time.

Finally, it is important to identify the proportion of operations and country strategies for which targets linked to climate mitigation and adaptation outcomes achieved ex-post. This measure identifies the extent to which the assumptions underlying projects and strategies remain valid. In addition to being an important accountability measure, it is also a critical source of learning to address areas of underperformance, further contributing to the global fight against climate change.

Source: World Bank Group (2023), “Measuring Climate Impact: A Draft Approach for Going from Inputs to Outcomes” World Bank Document

Enhance results measurement and evaluation at the country-level. Better demonstrating contribution to transformative results at country-level requires that climate outcomes get better coverage in Country Strategy results frameworks. Ex-post evaluation at the country level should be strengthened and positioned to focus on MDBs’ contribution to transformative changes over time, including lessons for future operations.

These efforts rely on enhancing results measurement at the project level. No efforts to enhance corporate scorecards will advance unless data gaps are addressed across operations. Identifying ex-post, outcome-level scorecard indicators will incentivise project-level monitoring of climate results throughout implementation. It may take years for MDBs to address the gaps in project-level data. The feasibility and timelines for fully implementing outcome-level corporate indicators should be assessed transparently.

The World Bank Group is making important progress implementing this commitment. Along with moving its FY24-FY30 scorecard away from the traditional three-layer approach, the World Bank Group has proposed a series of climate indicators at the global, institutional, and project levels covering a broader range of sectors and considering alignment with long-term pathways for low-carbon development. Gradually, it will also shift toward ex-post reporting. Some opportunities still exist for enhancing the proposed approach (See Box 11).

Prioritise projects with tangible linkages to climate outcomes to promote transformational impacts, support just transition and strengthen monitoring

The current approaches for screening private sector operations can be scaled up and applied more broadly to identify projects that have tangible linkages to climate results. Systems such as AIMM, DELTA and TOMS help identify private sector projects with tangible linkages to climate impacts based on robust sector-level theories of change. These systems also help identify the potential market-level impacts of projects, including their contribution to transformational changes. If a similar approach were applied to both public and private sector projects focused on climate, projects with tangible linkages to climate results could be prioritised.

These systems could also help expand the risk appetite of MDBs in specific cases. Private sector-facing MDBs like IDB Invest, EBRD and IFC use these systems to implement a portfolio approach that balances projects likely to be profitable with others that are riskier but have higher potential to achieve development impact. Applying these approaches in the context of public sector climate projects could help MDBs identify instances and additional risk could be justified because of the strong potential for transformative climate results, catalysation and demonstration effects.

These systems facilitate results measurement, including the contribution to transformational impacts. Systems like AIMM, DELTA and TOMS currently combine several different factors into a single score. This means that projects cannot necessarily be compared within and across sectors. However, disaggregating these indicators could help identify projects that have tangible linkages to transformative climate outcomes. These systems also allow for ongoing follow-up of a standard set of indicators throughout implementation, which could enhance the collection of ex-post data on climate results. Because these systems also address factors such as gender and economic inclusion, disaggregated reporting could reflect linkages between climate change benefits and other development challenges. Combining data in this way would be particularly relevant for assessing the potential contribution of projects to promoting just transition.

Involving climate teams in monitoring would further enrich the sharing and uptake of lessons and good practices. MOPAN assessments have noted that climate change teams tend to be highly involved at the project appraisal stage but have only to varying degrees of involvement in portfolio management and monitoring. Increasing this involvement would require a change in how climate change teams work with other operational teams, including increasing involvement in monitoring and providing dedicated support for MRV.

Measure MDBs' joint contribution to creating an enabling environment for delivering NDCs and promoting private sector climate action

MDBs have little means of demonstrating the contribution of their knowledge and analytical work to the creation of an enabling environment.²¹⁵ There is also limited evidence of the implementation of the knowledge and analytical work in partnership. Internally, MDBs such as IDB plan their policy and knowledge engagements by starting with NDCs and working backwards to identify changes needed to create a supportive environment; this analysis is not presented publicly, and it is unclear if it is shared with other partners.

MDBs should apply approaches from other sectors to measure progress over time and support partner co-ordination. In the context of Public Financial Management, shared frameworks such as the Public Expenditure and Financial Accountability Framework (PEFA) help guide partner co-ordination and facilitate joint monitoring of progress achieved over time. PEFA helps identify the extent to which analytical, advisory and capacity support is contributing to genuine changes in institutional capacity, processes and behaviour. Furthermore, PEFA supports joint planning and prioritisation of future activities to promote impact. To adapt this model to the climate context would require an initial agreement on the characteristics, components and pillars or areas that would need to be assessed at country-level to measure changes in capacity.

MDBs should build upon emerging tools for measuring the implementation and effectiveness of climate actions and policies. Three approaches could be built upon and scaled-up: IMF's Climate Public Investment Management Assessment (C-PIMA), the OECD's Climate Actions and Policy Measurement Framework (CAPMF), and the World Bank's Climate Change Institutional Assessment (CCIA). The C-PIMA helps governments identify potential improvements in public investment processes and capacities to build low-carbon and climate-resilient infrastructure. The CAPMF is a comprehensive, harmonised database of climate policy actions that enables policy makers to identify how to expand and strengthen the effectiveness of climate mitigation policies to achieve their adaptation and mitigation targets. The CCIA identifies strengths and weaknesses in the national institutional framework for climate change governance.

Country strategies and corporate scorecards should better reflect outcomes linked to the promotion of an enabling environment. Beyond output-level indicators, Country Strategy results frameworks should identify a means of measuring whether overall progress in promoting an enabling environment is yielding the desired results. A key opportunity lies in measuring how different reforms have contributed to private sector climate investment and the levels of private climate finance mobilised at country and institution levels. For example, the FY24-FY30 World Bank Group scorecard will distinguish between Private Capital Mobilisation and Private Capital Enabling to emphasise "whole-of-institution" approaches to catalysing climate finance.

Report on enabling environments for net-zero transition to share good practices and mobilise political will. Using shared frameworks and public reporting of progress could help identify lessons and successful approaches and also help mobilise political will and facilitate peer exchange for strengthening and delivering on NDCs. This would be complemented by enhanced government capacity for monitoring and verification of climate change mitigation and adaptation in line with the Paris Agreement Article 6.

²¹⁵ A planned evaluation by the World Bank Group's IEG in 2024 is timely, as it will inform the implementation of new tools such as Knowledge Compacts and identify opportunities to enhance knowledge flows throughout the organisations.

Reposition country engagement to facilitate “whole-of-system co-ordination” through country-led co-ordination mechanisms.

MDBs should identify clear practices for country-level co-ordination with partners, including through country-led programmes. Country engagement should be enhanced to address core activities for partner engagement beyond governments. There is also a need for MDBs and other partners to capitalise on emerging lessons from JETPs and the Egypt Nexus, to identify opportunities to scale up good practices and facilitate joint planning without sacrificing efficiency. Country engagement should feature partner co-ordination more prominently as a core area of country staff activity, with clear processes, incentives, training, and resourcing.

Country engagement should be made more dynamic, including through flexible programmatic approaches that can be adapted as the context changes. This would also require more agile processes for taking stock of progress, updating country strategies and streamlining restructuring operations. Flexible, programmatic approaches such as MPAs would allow MDBs to periodically take stock of: (i) upstream partnership opportunities to create an enabling environment; (ii) emerging opportunities for private investment, and (iii) strategic allocation of concessional finance to where it can best support the catalysation of private investment.

MDBs should identify harmonised approaches at country level for providing concessional support around a programme of joint activities. Part of the incentive for countries to implement JETPs and country-led co-ordination mechanisms is to be able to access financing at a greater scale than would be available otherwise. Harmonisation is essential for ensuring that grants are channelled to activities that cannot be financed through other means. Access to blended finance should be streamlined where possible to crowd in private investment and avoid unnecessary barriers. Borrowing good practices from crisis contexts, multi-donor trust funds may provide the needed coherence and flexibility while supporting collaboration across a broader range of development actors, including United Nations entities and civil society organisations.

Scale-up and streamline mechanisms for co-financing and collaboration, including by harmonising key processes and using country systems. MDBs still tend to compete rather than collaborate. While some progress has been achieved in establishing co-financing frameworks and investment matching platforms, institutional processes still need to be streamlined and harmonised to reduce complexity. MDBs also need to continue harmonising safeguards and risk management systems, including those for procurement, financial risk management and environmental and social management. This could be addressed by focusing on strengthening country systems and using them to the greatest extent possible in implementation.

Enhance the use of joint analytics and joint monitoring to identify emerging opportunities for collaboration. Updating CCDRs every five years can play an important role in providing evidence to support partnerships in the context of programmatic approaches. Although joint monitoring is recognised as good practice, it remains unsystematic among the MDBs, particularly for private sector operations. Operational guidelines should incorporate harmonised and streamlined approaches and systems for joint monitoring, including through approaches that adopt a “whole-of-society” approach (Box 12). This may also require a greater allocation of resources to support monitoring activities, including for capacity development for MRV.



Image credit: Mikhail Luxstn, Unsplash

Box 12: Future Options for a “whole of society” approach to results.

As the MDBs work together to harmonise corporate reporting for their climate support and move toward reporting on results, the CIF is piloting an innovative and collaborative approach to identifying the country-level impacts of its climate programming.

The CIF Pilot Programme for Climate Resilience (PPCR) is a flagship programme that seeks to help countries build multi-sectoral climate resilience. Launched in 2009, this programme seeks to: (i) institutionalise climate resilience issues in development planning (national, sectoral and local); (ii) build adaptive capacity; and (iii) test new climate resilient tools and approaches. It includes USD 1.1 billion in financing across 17 countries and 64 ongoing or completed projects.

The PPCR Monitoring & Reporting System for Results was designed with resilience outcomes in mind. Five core indicators are designed to be reported at the national level for each country on an annual basis. The data collection process is country-led and participatory, whereby countries convene a multi-stakeholder scoring workshop to collate, aggregate, deliberate and validate results. Countries are meant to integrate these indicators and approaches into their national M&E systems.

In February 2024, the CIF undertook a close-out assessment of the results achieved in Zambia. Zambia has adapted this system to their institutional and national context, allowing for all relevant project implementers, district and senior-level officials, national stakeholders, civil society, the private sector and representatives from development partners such as the MDBs to come together to discuss the progress achieved. This approach has been implemented in Zambia since 2012.

In addition to providing an evidence base for resilience outcomes, this multi-stakeholder approach has led to significant learning, knowledge generation and feedback loops between the relevant actors in delivering on Zambia’s Resilience Agenda. It has promoted the integration of climate resilience into development planning from the community to the national level. It has also contributed to stronger horizontal integration of climate resilience measures across sectors.

This approach is a good practice example that could be scaled up by other actors to strengthen the reporting of climate mitigation and adaptation results, including just transition, through country-led partner coordination and a whole-of-society approach.





ANNEXES

Annex A: Documents Reviewed

1. AFD (2019) "POLICY-BASED LOANS: BOOSTING THE POTENTIAL OF A BOOMING INSTRUMENT" [Policy-Based Loans: Boosting the Potential of a Booming Instrument | AFD - Agence Française de Développement](#)
2. Andrews, D (2021) "Reallocating SDRs to Multilateral Development Banks or other Prescribed Holders of SDRs" <https://www.cgdev.org/publication/reallocating-sdrs-multilateral-development-banks-or-other-prescribed-holders-sdrs>
3. Andrews, D. & Plant, M. (2021) "Rechannelling SDRs to MDBs: Urgent Action Is Needed to Jumpstart the Green Equitable Transition" [Rechannelling SDRs to MDBs: Urgent Action Is Needed to Jumpstart the Green Equitable Transition | Center For Global Development | Ideas to Action \(cgdev.org\)](#)
4. African Development Bank (2017) "THE BANK GROUP RESULTS MEASUREMENT FRAMEWORK 2016-2025 - Delivering the High 5s, Increasing the Bank's Impact on Development" [Final - RMF - Rev.2 Final .pdf \(afdb.org\)](#)
5. African Development Bank (2017) "One Planet Summit - Joint IDFC-MDB Statement - Together Major Development Finance Institutions Align Financial Flows with the Paris Agreement" [One Planet Summit - Joint IDFC-MDB Statement - Together Major Development Finance Institutions Align Financial Flows with the Paris Agreement | Banque africaine de développement - Faire la différence \(afdb.org\)](#)
6. African Development Bank (2022) "2nd Climate Change Action Plan (2016–2020) - Completion Report" [2nd Climate Change Action Plan \(2016–2020\) - Completion Report | African Development Bank Group - Making a Difference \(afdb.org\)](#)
7. African Development Bank (2022) "Knowledge Management Strategy 2022-2032" [Knowledge Management Strategy 2022-2031 | African Development Bank Group - Making a Difference \(afdb.org\)](#)
8. African Development Bank (2023) "Climate Change and Green Growth Strategic Framework: Operationalising Africa's Voice - Action Plan 2021-2025" Climate Change and Green Growth Strategic Framework: Operationalising Africa's Voice - Action Plan 2021-2025 | African Development Bank Group - Making a Difference (afdb.org)
9. African Development Bank (2023) "Climate Change and Green Growth Strategic Framework: Operationalising Africa's Voice - Action Plan 2021-2025" <https://www.afdb.org/en/documents/climate-change-and-green-growth-strategic-framework-operationalising-africas-voice-action-plan-2021-2025>
10. Asian Development Bank (2016) "Effectiveness of Asian Development Bank Partnerships" [tes-partnerships_6.pdf \(adb.org\)](#);
11. Asian Development Bank (2017) "Climate Change Operational Framework 2017-2030 – Enhanced Actions for Low Greenhouse Gas Emissions and Climate-Resilient Development" [Climate Change Operational Framework 2017–2030: Enhanced Actions for Low Greenhouse Gas Emissions and Climate-Resilient Development \(adb.org\)](#)

12. Asian Development Bank (2018) "Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific" [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific | Asian Development Bank \(adb.org\)](#)
13. Asian Development Bank (2019) "ADB Corporate Results Framework, 2019–2024" [Microsoft Word - Policy Paper ADB Results Framework 2019-2024_Circulation 22 August.docx](#)
14. Asian Development Bank (2019) "Operational Plan for Private Sector Operations 2019–2024" [Operational Plan for Private Sector Operations \(2019-2024\) \(adb.org\)](#)
15. Asian Development Bank (2019) "Tackling Climate and Disaster Resilience and Enhancing Environmental Sustainability, 2019-2024" [Operational Priority 3: Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability \(adb.org\)](#)
16. Asian Development Bank (2020) "Performance Evaluation Report – Climate Change Fund 2008-2019" [ccf-pper_6.pdf \(adb.org\)](#)
17. Asian Development Bank (2020) "Knowledge Solutions for Development: An Evaluation of ADB's Readiness for Strategy 2030" [te-knowledge_6.pdf \(adb.org\)](#)
18. Asian Development Bank (2021) "ADB Support for Action on Climate Change, 2011–2020" [te-climate-change_6.pdf \(adb.org\)](#)
19. Asian Development Bank (2021) "Asian Development Bank Knowledge Management Action plan (2021-25) – Knowledge for a Prosperous, Inclusive, Resilient and Sustainable Asia and the Pacific" [Knowledge Management Action Plan 2021–2025: Knowledge for a Prosperous, Inclusive, Resilient, and Sustainable Asia and Pacific \(adb.org\)](#)
20. Asian Development Bank (2022) "Organisational Review – A New Operating Model to Accelerate ADB's Transformation Toward Strategy 2030 and Beyond" [Organizational Review: A New Operating Model to Accelerate ADB's Transformation Toward Strategy 2030 and Beyond](#)
21. Asian Development Bank (2022) "Establishment of the Energy Transition Mechanism Partnership Trust Fund under the Clean Energy Financing Partnership Facility" <https://www.adb.org/sites/default/files/institutional-document/822601/establishment-energy-transition-mechanism-partnership-trust-fund.pdf>
22. Asian Development Bank (2022) "Establishment of the Energy Transition Mechanism Partnership Trust Fund under the Clean Energy Financing Partnership Facility" <https://www.adb.org/documents/establishment-energy-transition-mechanism-partnership-trust-fund-under-cefpf>
23. Asian Development Bank (2023) "Private Sector Operations in 2022 – Report on Development Effectiveness" [Private Sector Operations in 2022: Report on Development Effectiveness \(adb.org\)](#)
24. Asian Development Bank (2023) "Partnership Report 2022: Driving Growth, Boosting Resilience" Partnership Report 2022 - (adb.org)
25. Asian Infrastructure Investment Bank (2023) "Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact" [Statement of the Heads of Multilateral Development Banks Group: Strengthening Our Collaboration for Greater Impact - News - AIIB](#)

26. Besley, Dewatripont and Guriev (2010) "Transition and transition impact – A review of the concept and implications"
27. Bhattacharya A, Songwe V, Soubeyran E and Stern N (2023) "A climate finance framework: decisive action to deliver on the Paris Agreement – Summary" [A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf \(lse.ac.uk\)](#)
28. Boosting MDBs' investing capacity. (2022). An Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks
29. Burtynski, Deuster, et al (2022) "Climate Change, Inequality and Human Migration," *Journal of the European Economic Association*, 20 (3), <https://doi.org/10.1093/jeea/jvab054>
30. Carter, Elia-Trostmann and Boehm () "Climate Change Could Force 100 Million People into Poverty by 2030: Four ways we can step up adaptation" <https://www.wri.org/insights/climate-change-could-force-100-million-people-poverty-2030-4-ways-we-can-step-adaptation>
31. Centre for Global Development (2023) "Strengthening Multilateral Development Banks – The Triple Agenda" <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKewjz0puRjumDAxWJUaQEHWANAE0QF-noECBMOAQ&url=https%3A%2F%2Fwww.cgdev.org%2Fpublication%2Fstrengthening-multilateral-development-banks-triple-agenda&usg=AOvVaw0G5HJ12gYuWQszCeb-CI2W&opi=89978449>
32. Center for Global Development (2023) "The Triple Agenda – A Roadmap for Better, Bolder and Bigger MDBs" [The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs | Center For Global Development | Ideas to Action \(cgdev.org\)](#)
33. Climate Investment Funds (2019) "Summary of the Co-Chairs Joint Meeting of the CTF and SCF Trust Fund Committees – June 3, 2019" https://www.cif.org/sites/cif_enc/files/events/files/cif_joint_ctf_scf_co-chairs_summary_june_3_2019.pdf
34. Climate Investment Funds (2020) "Country Selection Process for the Climate Investment Funds' New Strategic Programmes" [country_selection_process_for_the_climate_investment_funds_new_strategic_programs_scf.pdf \(cif.org\)](#)
35. Climate Investment Funds (2022) "CIF Disbursement Report" https://d2qx68gt0006nn.cloudfront.net/sites/cif_enc/files/meeting-documents/joint_ctf-scf_tfc.26_inf.2disbursement_report_dec_31_2022_0.pdf
36. Climate Investment Funds (2022) "SCF Risk Report" https://d2qx68gt0006nn.cloudfront.net/sites/cif_enc/files/meeting-documents/scf_tfc_16_4_rev.1_risk_report_2022.pdf
37. Climate Investment Funds (2022) "CTF Risk Report" https://d2qx68gt0006nn.cloudfront.net/sites/cif_enc/files/meeting-documents/ctf_tfc.28_4_rev.1_ctf_risk_report.pdf
38. Climate Investment Funds (2023) (Presentation) "CIF Governance and Business Model" [PowerPoint Presentation \(unfccc.int\)](#)
39. Climate Investment Funds (2023) (Presentation) "Clean Technology Fund Semi-Annual Report" [PowerPoint Presentation \(d2qx68gt0006nn.cloudfront.net\)](#)

40. Climate Investment Funds (2023) "Impact. Delivered. CIF Annual Report 2023" [cif_annual_report_2022_final_03_270623.pdf \(d2qx68gt0006nn.cloudfront.net\)](https://www.cif-climateinvestmentfunds.org/~/media/CIFFinalReport2023Final03270623.pdf)
41. COP28 UAE (2023) "COP28 UAE Leaders' Declaration on a Global Climate Finance Framework: Making Finance Available, Accessible, Affordable" [COP28 Declaration on a Global Climate Finance Framework](https://www.cop28.org/~/media/2023/11/COP28_UAE_Leaders_Declaration_on_a_Global_Climate_Finance_Framework.pdf)
42. COP28 UAE (2023) "The UAE Consensus" <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwiS1YDnjemDAxVku6QEHV7NAzIQFnoE-CA4QAO&url=https%3A%2F%2Fcop28.com%2FUAEEconsensus&usq=AOvVaw23YyKbgPV2LVf-87Go9b7PL&opi=89978449>
43. Energy Transition Partnership (2023) "JETP Experience in South Africa and Indonesia and lessons learnt for Viet Nam" [20230508_Report on JETP experience in SA and Indonesia_ENG.docx \(energytransitionpartnership.org\)](https://www.energytransitionpartnership.org/~/media/2023/05/08/JETP_experience_in_SA_and_Indonesia_ENG.docx)
44. European Bank for Reconstruction and Development (2020) "GREEN ECONOMY TRANSITION APPROACH 2021-2025" <https://www.ebrd.com/documents/comms-and-bis/get-20212025.pdf>
45. European Bank for Reconstruction and Development (2023) "Transition Report 2023: Business Unusual" [EBRD Transition Report 2022-23](https://www.ebrd.com/sustainability-report-2022)
46. European Bank for Reconstruction and Development (2023) "Sustainability Report 2022" <https://www.ebrd.com/sustainability-report-2022>
47. European Bank for Reconstruction and Development (2023) "Joint Report on Multilateral Development Banks' Climate Finance" <https://www.ebrd.com/documents/climate-finance/2022-joint-report-on-multilateral-development-banks-climate-finance.pdf>
48. European Bank for Reconstruction and Development Evaluation Department (2020) "Discussion Paper: Evaluability Assessment of EBRD's Transition Qualities" https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjJlqHr7tSCAxU_UaQEHenZDpgQ-FnoECBkQAO&url=https%3A%2F%2Fwww.ebrd.com%2Fdocuments%2Fevaluation%2F2020-discussion-paper-evaluability-assessment-of-ebrds-transition-qualities.pdf&usq=AOvVaw1VAGMpwvMMAS4lc9mV8Wv5&opi=89978449
49. European Investment Bank (2015) "Joint Statement by the Multilateral Development Banks at Paris, COP21 - Delivering Climate Change Action at Scale: Our Commitment to Implementation" [joint-mdb-statement-climate_nov-28_final.pdf \(eib.org\)](https://www.eib.org/~/media/2015/11/joint-mdb-statement-climate-nov-28-final.pdf)
50. European Investment Bank (2019) "High Level MDB Statement – UNSG Climate Summit" [joint-mdb-statement-climate-change-finance-un-climate-summit-2019-en.pdf \(eib.org\)](https://www.eib.org/~/media/2019/09/joint-mdb-statement-climate-change-finance-un-climate-summit-2019-en.pdf)
51. European Investment Bank (2020) "MDB Just Transition High Level Principles" [mdb-just-transition-high-level-principles-en.pdf \(eib.org\)](https://www.eib.org/~/media/2020/09/mdb-just-transition-high-level-principles-en.pdf)
52. European Investment Bank (2022) "Joint Methodology for Tracking Climate Adaptation Finance" [Joint methodology for tracking climate change adaptation finance \(worldbank.org\)](https://www.eib.org/~/media/2022/09/joint-methodology-for-tracking-climate-change-adaptation-finance)
53. European Investment Bank (2022) "COP27 MULTILATERAL DEVELOPMENT BANKS JOINT STATEMENT" [Microsoft Word - cop27-mdb-joint-statement-en.doc \(eib.org\)](https://www.eib.org/~/media/2022/11/microsoft-word-cop27-mdb-joint-statement-en.doc)

54. European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](#)
55. European Investment Bank (2023) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report" [2022-dfi-bcf-working-group-joint-report.pdf \(eib.org\)](#)
56. The G20 Independent Expert Group (2023) "The Triple Agenda: A Roadmap for Better, Bolder and Bigger MDBs"
57. Global Environment Facility (2018) "Project and Program Cycle Policy" https://www.thegef.org/sites/default/files/documents/Project_Program_Cycle_Policy.pdf
58. Global Environment Facility (2018) "Policy and Guidelines on System for Transparent Allocation of Resources" https://www.thegef.org/sites/default/files/documents/STAR_Policy_Guidelines.pdf
59. Global Environment Facility (2022) "SUMMARY OF NEGOTIATIONS OF THE EIGHTH REPLENISHMENT OF THE GEF TRUST FUND" [EN_GEF_C.62_03_Summary of Negotiations of the 8th Replenishment of the GEF Trust Fund_.pdf](#)
60. Global Environment Facility (2022) "GEF Monitoring Report 2022" https://www.thegef.org/sites/default/files/documents/2022-11/EN_GEF.C.63.03_The%20GEF%20Monitoring%20Report%202022.pdf
61. Government of Egypt (2022) "Joint Statement – Egypt's Country Platform for NWFE Programme"
62. Government of France (2023) "Multilateral Development Banks Vision Statement" <https://www.elysee.fr/en/emmanuel-macron/2023/06/23/multilateral-development-banks-vision-statement>
63. Government of France (2021) "Joint Statement - International Just Energy Transition Partnership" [Joint Statement - International Just Energy Transition Partnership | Élysée \(elysee.fr\)](#)
64. Green Climate Fund (2020) "Updated Strategic Plan for the Green Climate Fund: 2020-2023" [updated-strategic-plan-green-climate-fund-2020-2023.pdf \(greenclimate.fund\)](#)
65. Green Climate Fund (2022) "Annual Portfolio Performance Review 2021" <https://www.greenclimate.fund/sites/default/files/document/gcf-b34-inf11-rev01.pdf>
66. Green Climate Fund (2022) "IMPROVING ACCESS TO CLIMATE FINANCE THROUGH NATIONAL ENTITIES" [GCF in brief – Adaptation planning \(greenclimate.fund\)](#)
67. Green Climate Fund (2023) "Second Performance Review of the Green Climate Fund" [Second Performance Review \(SPR\) of the Green Climate Fund | Independent Evaluation Unit | Green Climate Fund](#)
68. Green Climate Fund (2023) "Progress Report: GCF's First Replenishment Period 2020-2023" [GCF-1 Progress report — GCF's first replenishment period \(greenclimate.fund\)](#)
69. Green Climate Fund (2023) "GCF Spotlight – Least Developed Countries" <https://gcfrod.blob.core.windows.net/public/odl/pdf/least-developed-countries.pdf>

70. High-Level Expert Group on Climate Finance (2023) "A Climate Finance Framework: Decisive action to deliver on the Paris Agreement – Summary" [A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf \(lse.ac.uk\)](#)
71. IDB Invest (2020) "Managing a Portfolio for Impact – IDB Invest's Impact Management Framework" [IDB Invest's Impact Management Framework: Managing a Portfolio for Impact | IDB Invest](#)
72. International Development Association (2022) "Building Back Better from the Crisis: Toward a Green, Resilient and Inclusive Future" <https://documents1.worldbank.org/curated/en/163861645554924417/pdf/IDA20-Building-Back-Better-from-the-Crisis-Toward-a-Green-Resilient-and-Inclusive-Future.pdf>
73. Independent Development Evaluation (2021) "Evaluation of Mainstreaming Green Growth and Climate Change into the AfDB's Interventions" [GG CC Corporate Evaluation \(En\) Final Web version 0.pdf \(afdb.org\)](#)
74. Independent Development Evaluation (2021) "Evaluation of the Partnerships of the AfDB (2008–2019)" https://idev.afdb.org/sites/default/files/documents/files/Partnerships%20of%20the%20AfDB%20Group%20%28En%29_Web.pdf
75. Independent Development Evaluation (2022) "Evaluation of the AfDB's Implementation of its NonSovereign Operations (2014–2020)" [NSO-Evaluation-Summary Report-\(En\).pdf \(afdb.org\)](#)
76. Independent Evaluation Group (2020) "The World Bank Group Outcome Orientation at the Country Level" [The World Bank Group Outcome Orientation at the Country Level](#)
77. Independent Evaluation Group (2022) "Results and Performance of the World Bank Group 2022" [Results and Performance of the World Bank Group 2022](#)
78. Independent Evaluation Group (2023) "Creating and Enabling Environment for Private Sector Climate Action – An Evaluation of World Bank Group Support, Fiscal Years 2013-2022" (forthcoming)
79. Independent Evaluation Group (2023) "The World Bank's Approaches to Mobilize Private Capital for Development" [The World Bank Group's Approach to the Mobilization of Private Capital for Development](#)
80. ICF International (2014) "Independent Evaluation of the Climate Investment Funds" [cif_evaluation_final.pdf \(oecd.org\)](#)
81. Independent High-Level Expert Group on Climate Finance (2022) "Finance for Climate Action – Scaling Up Investment for Climate and Development"
82. International Development Finance Club (2021) "Common Principles for Climate Mitigation Finance Tracking" https://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf
83. International Finance Corporation (2019) "STRATEGY AND BUSINESS OUTLOOK UPDATE FY20 – FY22: GEARING UPTO DELIVER IFC 3.0 AT SCALE" [World Bank Document](#)

84. International Finance Corporation (2020) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint report" <https://www.ifc.org/content/dam/ifc/doc/mgrt/dfi-blended-concessional-finance-working-group-joint-report-october-2019-v13-report.pdf>
85. International Finance Corporation (2023) "DFI Working Group on Blended Concessional Finance for Private Sector Projects – Joint Report" <https://www.ifc.org/en/insights-reports/2020/bf-dfi-ifc-annual-reports>
86. International Financing Facility for Education IFFEd (2018) "IFFEd Design Proposal – Technical Annexes" [IFFEd Design Proposal with Technical Annexes - elearning - Page 1 - 94 | Flip PDF Online | PubHTML5](#)
87. International Institute for Sustainable Development (2022) "Just Energy Transition Partnerships: An opportunity to leapfrog from coal to clean energy" <https://www.iisd.org/articles/insight/just-energy-transition-partnerships>
88. Intergovernmental Panel on Climate Change (2022) "Climate Change 2022 – Mitigation of Climate Change – Summary for Policy Makers" [Climate Change 2022, Mitigation of Climate Change. Summary for Policymakers \(ipcc.ch\)](#)
89. Intergovernmental Panel on Climate Change (2022) "Climate Change 2022: Impacts, Adaptation and Vulnerability" [Climate Change 2022: Impacts, Adaptation and Vulnerability | Climate Change 2022: Impacts, Adaptation and Vulnerability \(ipcc.ch\)](#)
90. Intergovernmental Panel of Climate Change (2023) "AR6 Synthesis Report: Climate Change 2023" [AR6 Synthesis Report: Climate Change 2023 — IPCC](#)
91. Inter-American Development Bank (2018) "2018 Joint Report on Multilateral Development Banks' Climate Finance" https://publications.iadb.org/publications/english/document/2018_Joint_Report_on_Multilateral_Development_Banks_Climate_Finance_en_en.pdf
92. Inter-American Development Bank Group (2020) "IDB Group Corporate Results Framework 2020-2023: Monitoring our contributions to improving lives in Latin America and the Caribbean" <https://publications.iadb.org/publications/english/document/IDB-Group-Corporate-Results-Framework-2020-2023.pdf>
93. Inter-American Development Bank Group (2021) "Climate Change Action Plan (2021-25)" <https://publications.iadb.org/en/inter-american-development-bank-group-climate-change-action-plan-2021-2025#:~:text=Inter%2DAmerican%20Development%20Bank%20Group%20Climate%20Change%20Action%20Plan%202021%2D2025,-Author&text=The%20Climate%20Change%20Action%20Plan,ambition%20continuously%20in%20the%20region>.
94. Inter-American Development Bank (2022) "2021 Joint Report on Multilateral Development Banks' Climate Finance" <https://publications.iadb.org/publications/english/document/2021-MDB-Joint-Report.pdf>
95. Inter-American Development Bank (2023) "MDB Common Principles for tracking nature-positive finance" <https://www.iadb.org/document.cfm?id=EZIDB0000577-1729984378-319>

96. International Finance Corporation (2021) "The Managed Co-Lending Portfolio Program: M CCP One Planet – The Paris Aligned Private Debt Opportunity for Institutional Investors in Emerging Markets" <https://www.ifc.org/content/dam/ifc/doc/2023-delta/mcpp-oneplanet-brochure.pdf>
97. International Fund for Agricultural Development (2019) "IFAD Private Sector Engagement Strategy 2019-2024" <https://www.ifad.org/en/-/document/private-sector-strategy>
98. International Fund for Agricultural Development (2019) "Operational Procedures and Guidelines for Country Strategies" <https://www.ifad.org/documents/38711624/39426383/Guidelines+for+preparation+and+implementation+of+a+Results-based+Country+Strategic+Opportunities+Programme.pdf/cc310a90-6786-487b-ae02-fbc0373c4ffc?t=1559307318000>
99. International Fund for Agricultural Development (2019) "IFAD Knowledge Management Strategy" https://www.ifad.org/documents/38711624/39417933/km_e.pdf/43599c5a-9a6c-4ff7-9299-e992aa4b9d24
100. International Fund for Agricultural Development (2021) "Social, Environmental and Climate Assessment Procedures – Volume 1" <https://www.ifad.org/en/secap>
101. International Fund for Agricultural Development (2021) "Core Outcome Indicator Measurement Guidelines" https://www.ifad.org/documents/38714170/42870514/coim_guidelines_e.pdf/be-d6993e-1a1a-6683-bd3c-6fc9bb0e5aac?t=1619708052741
102. International Fund for Agricultural Development (2022) "Climate Action Report 2021" <https://www.ifad.org/en/web/knowledge/-/climate-action-report-2021>
103. International Fund for Agricultural Development (2022) "Mid-term Review of IFAD's Private Sector Engagement Strategy" <https://webapps.ifad.org/members/eb/137/docs/EB-2022-137-R-9.pdf?attach=1>
104. International Fund for Agricultural Development (2023) "IFAD Results Management Framework Dashboard" <https://www.ifad.org/en/rmf-dashboard>
105. International Fund for Agricultural Development (2023) "Report on IFAD's Development Effectiveness 2023 (RIDE)" https://www.ifad.org/en/-/report-on-ifad-development-effectiveness-2023?p_l_back_url=%2Fen%2Fcorporate-documents
106. International Fund for Agricultural Development (2023) "Report on IFAD's Mainstreaming Effectiveness 2023 (RIME)" <https://webapps.ifad.org/members/ec/122/docs/EC-2023-122-W-P-5-Rev-1.pdf?attach=1#:~:text=Preliminary%20June%202023%20projections%20show%20that%20IFAD%20has%20reached%2036%20per%20cent.&text=by%20end%20of%20IFAD12.&text=10.,the%20inclusion%20of%20mainstreaming%20themes>
107. Itad (2019) "Evaluation of Transformational Change in the Climate Investment Funds" [evaluation_of_transformational_change_in_the_cif_final_w_mresp_jan_2019.pdf](https://www.itad.org/publications/evaluation-of-transformational-change-in-the-cif-final-w-mresp-jan-2019.pdf)
108. Lee, Landers and Matthews (2023) "Concessional Climate Finance – Is the MDB Architecture Working?" [Concessional Climate Finance: Is the MDB Architecture Working? \(cgdev.org\)](https://www.cgdev.org/publication/concessional-climate-finance-is-the-mdb-architecture-working)
109. MOPAN (2018) "MOPAN Assessment Report – Global Environment Facility" <https://www.mopanon-line.org/assessments/gef2017-18/index.htm>

110. MOPAN (2021) "Lessons in Multilateral Effectiveness – Pulling Together: The Multilateral Response to Climate Change" <https://www.mopanonline.org/analysis/items/lessonsinmultilateraleffectivenessclimatechange.htm>
111. MOPAN (2023) "Lessons in Multilateral Effectiveness – More than the Sum of its Parts? The Multilateral Response to COVID-19" <https://www.mopanonline.org/analysis/items/lessonsinmultilateraleffectivenesscovid-19.htm>
112. MOPAN (2023) "MOPAN Assessment Report – African Development Bank" <https://www.mopanonline.org/assessments/afdb2021/index.htm>
113. MOPAN (2023) "MOPAN Assessment Report – International Development Association and International Bank for Reconstruction and Development" <https://www.mopanonline.org/assessments/worldbank2021/index.htm>
114. MOPAN (2023) "MOPAN Assessment Report – Inter-American Development Bank" <https://www.mopanonline.org/assessments/idb2021/index.htm>
115. MOPAN (2023) "MOPAN Assessment Report – IDB Invest" <https://www.mopanonline.org/assessments/idbinvest2021/index.htm>
116. MOPAN (2023) "MOPAN Assessment Report – IFC" (in process)
117. Morris, Nunez-Mujica and Ramachandran (2023) "What Counts as Climate – Preliminary Evidence from the World Bank's Climate Portfolio"
118. ODI (2022) "Country Platforms for Climate Action: Something borrowed, something new?" odi.org/media/documents/ODI_Emerging_analysis_Country_platforms_for_climate_action.pdf
119. ODI (2023) "Climate-Smart Reform of Multilateral Development Banks – Priorities for the G20"
120. Office of Evaluation and Oversight (2019) "Review of Knowledge Generation and Dissemination in the Inter-American Development Bank" [Review of Knowledge Generation and Dissemination in the Inter-American Development Bank en en.pdf](https://www.oecd-ilibrary.org/docserver/286dae5d-en.pdf?expires=1694954855&id=id&accname=ocid84004878&checksum=8362EF873D497FBFF8F6DCDE04569856)
121. Office of Evaluation and Oversight (2023) "Evaluation of IDB Invest"
122. OECD (2022) "Climate Finance Provided and Mobilised by Developed Countries in 2016-2020 - Insights from disaggregated analysis" <https://www.oecd-ilibrary.org/docserver/286dae5d-en.pdf?expires=1694954855&id=id&accname=ocid84004878&checksum=8362EF873D497FBFF8F6DCDE04569856>
123. OECD (2022) "The Climate Actions and Policies Measurement Framework: A structured and harmonised climate policy database to monitor countries' climate action" [The climate actions and policies measurement framework: A structured and harmonised climate policy database to monitor countries' mitigation action | en | OECD](https://www.oecd-ilibrary.org/docserver/286dae5d-en.pdf?expires=1694954855&id=id&accname=ocid84004878&checksum=8362EF873D497FBFF8F6DCDE04569856)
124. OECD (2022) "The Climate Actions and Policies Measurement Framework: A structured and harmonised climate policy database to monitor countries' climate action" [The climate actions and policies measurement framework: A structured and harmonised climate policy database to monitor countries' mitigation action | en | OECD](https://www.oecd-ilibrary.org/docserver/286dae5d-en.pdf?expires=1694954855&id=id&accname=ocid84004878&checksum=8362EF873D497FBFF8F6DCDE04569856);

125. OECD (2023) "The Climate Action Monitor: Providing information to monitor Progress toward net zero" [60e338a2-en.pdf \(oecd-ilibrary.org\)](#)
126. OECD (2023) "The Climate Action Monitor: Providing information to monitor Progress toward net zero" [60e338a2-en.pdf \(oecd-ilibrary.org\)](#)
127. OECD (2023) "Climate Finance Provided and Mobilised by Developed Countries in 2013-2021: Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance" [Climate Finance Provided and Mobilised by Developed Countries in 2013-2021 : Aggregate Trends and Opportunities for Scaling Up Adaptation and Mobilised Private Finance | Climate Finance and the USD 100 Billion Goal | OECD iLibrary \(oecd-ilibrary.org\)](#)
128. OECD (2023) "Climate Finance Provided and Mobilised by Developed Countries in 2013-2021" [e20d2bc7-en.pdf \(oecd-ilibrary.org\)](#)
129. OECD (2023) "Scaling up the mobilisation of private finance investment for climate action in developing countries: Challenges and opportunities for international providers" [17a88681-en.pdf \(oecd-ilibrary.org\)](#)
130. Rockefeller Foundation (2024) "Scaling the JETP Model: Prospects and Pathways for Action" [Scaling-the-JETP-Model-Prospects-and-Pathways-for-Action.pdf \(rockefellerfoundation.org\)](#);
131. Seiler, A., Brown, H. & Matthews, S. (2023) "The JETPs of South Africa and Indonesia A Blueprint for the Move Away from Coal?" [The JETPs of Africa and Indonesia \(cgdev.org\)](#)
132. United Kingdom Parliament (2021) "Delivering on 100 billion climate finance" [COP26: Delivering on \\$100 billion climate finance \(parliament.uk\)](#)
133. United Kingdom Parliament (2023) "Climate Change: Loss and Damage Fund – Briefing 9848" [CBP-9848.pdf \(parliament.uk\)](#)
134. United Nations Environment Programme (2022) "The Closing Window: Climate Crisis Calls for Rapid Transformation of Societies – Emissions Gap Report 2022"
135. United Nations Environment Programme (2022) "Too Little, Too Slow: Climate Adaptation Failure Puts the World at Risk – Adaptation Gap Report 2022"
136. UNFCCC Secretariat (2022) "Nationally determined contributions under the Paris Agreement – Synthesis Report" [Nationally determined contributions under the Paris Agreement. Synthesis report by the secretariat | UNFCCC](#)
137. UNFCCC Secretariat (2022) "Long-term low-emission development strategies - Synthesis Report" [Long-term low-emission development strategies. Synthesis report by the secretariat | UNFCCC](#)
138. UNFCCC Secretariat (2022) "Report of the Standing Committee on Finance" [Report of the Standing Committee on Finance \(unfccc.int\)](#)
139. UNFCCC Secretariat (2021) "Glasgow Climate Pact" [COP26 cover decision \(unfccc.int\)](#)

140. UNFCCC Secretariat (2022) "Approaches to reviewing the overall progress made in achieving the global goal on adaptation: Technical paper" https://unfccc.int/sites/default/files/resource/ac2021_tp_gga.pdf
141. UNFCCC Secretariat (2022) "Long-term low-emission development strategies - Synthesis report by the secretariat" [Long-term low-emission development strategies. Synthesis report by the secretariat | UNFCCC](#)
142. UNFCCC Secretariat (2022) "2022 NDC Synthesis Report" [2022 NDC Synthesis Report | UNFCCC](#)
143. UNFCCC Secretariat (2022) "Executive summary by the Standing Committee on Finance on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement" [54307_2 - UNFCCC First NDR summary - V6.pdf](#)
144. UNFCCC (2023) "Outcome of the First Global Stocktake" [Outcome of the first global stocktake. Draft decision -/CMA.5. Proposal by the President \(unfccc.int\)](#)
145. UNFCCC (2023) "2023 NDC Synthesis Report" [2023 NDC Synthesis Report | UNFCCC](#)
146. Von Lüpke, Heiner; Aebischer, Charlotte; Bolaños, Martha (2023) : International partnerships for a just energy transition: Findings from South Africa, DIW Weekly Report, ISSN 2568-7697, Deutsches Institut für Wirtschaftsforschung (DIW), Berlin, Vol. 13, Iss. 5, pp. 44-49, https://doi.org/10.18723/diw_dwr:2023-5-1
147. World Bank Group (2015) "International Financial Institution Framework for a Harmonised
148. Approach to Greenhouse Gas Accounting" https://www.worldbank.org/content/dam/Worldbank/document/IFI_Framework_for_Harmonized_Approach%20to_Greenhouse_Gas_Accounting.pdf
149. World Bank Group (2017) "Shadow price of carbon in economic analysis Guidance note" <https://thedocs.worldbank.org/en/doc/911381516303509498-0020022018/original/2017ShadowPriceofCarbonGuidanceNoteFINALCLEARED.pdf>
150. World Bank Group (2018) "Optimising Finance for Development" [Optimizing finance for development \(worldbank.org\)](#)
151. World Bank Group (2019) "The MDBs' alignment approach to the objectives of the Paris Agreement: working together to catalyse low-emissions and climate-resilient development" [Microsoft Word - Joint Declaration MDBs Alignment Approach to Paris Agreement COP24_Final.docx \(worldbank.org\)](#)
152. World Bank Group (2019) "Financial Intermediary Fund Management Framework" [google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewiUpJa28oyCAxWUVaQEHQw-dA_AQFnoECBYQAO&url=https%3A%2F%2Fdocuments.worldbank.org%2Fen%2Fpublication%2Fdocuments-reports%2Fdocumentdetail%2F286451569595398435%2Ffinancial-intermediary-fund-management-framework&usq=AOvVaw2ziuBLMnb9u0cO6h7uC6lH&opi=89978449](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewiUpJa28oyCAxWUVaQEHQw-dA_AQFnoECBYQAO&url=https%3A%2F%2Fdocuments.worldbank.org%2Fen%2Fpublication%2Fdocuments-reports%2Fdocumentdetail%2F286451569595398435%2Ffinancial-intermediary-fund-management-framework&usq=AOvVaw2ziuBLMnb9u0cO6h7uC6lH&opi=89978449)
153. World Bank Group (2021) "COP26 MDB Joint Statement on Nature" [COP26 MDB Joint Statement on Nature \(worldbank.org\)](#)

154. World Bank Group (2021) "Five Voluntary Principles – Mainstreaming Climate Action within Financial Institutions" [5Principles.pdf \(worldbank.org\)](#)
155. World Bank Group (2021) "World Bank Group Climate Change Action Plan (2021-25): Supporting Green, Resilient and Inclusive Development" <https://openknowledge.worldbank.org/server/api/core/bitstreams/19f8b285-7c5b-5312-8acd-d9628bac9e8e/content>
156. World Bank Group (2021) "Reference Guide on Adaptation Co-Benefits: A Comprehensive Guide on Capturing Climate Change Adaptation Co-Benefits Generated by World Bank Projects"
157. <https://thedocs.worldbank.org/en/doc/6f438059fcd67d697592f0dd3e2ed151-0090012021/original/1-Reference-Guide-on-Adaptation-Co-Benefits.pdf>
158. World Bank Group (2021) "Realising the World Bank Group's Knowledge Potential for Effective Development Solutions: A Strategic Framework" documents.worldbank.org/en/publication/documents-reports/documentdetail/309981617140869469/realizing-the-world-bank-group-s-knowledge-potential-for-effective-development-solutions-a-strategic-framework
159. World Bank Group (2021) "2021 Development Policy Financing (DPF) Retrospective: Facing Crisis, Fostering Recovery" [2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery \(worldbank.org\)](#)
160. World Bank Group (2022) "Evolving the World Bank Group's Mission, Operations and Resources: A Roadmap"
161. World Bank Group (2022) "Digital Monitoring, Reporting, and Verification Systems and Their Application in Future Carbon Markets" <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099605006272210909/idu0ca02ce8009a2404bb70bb6d0233b54ffad5e>
162. World Bank Group (2022) "Building Back Better from the Crisis: Toward a Green, Resilient and Inclusive Future" <https://documents1.worldbank.org/curated/en/163861645554924417/pdf/IDA20-Building-Back-Better-from-the-Crisis-Toward-a-Green-Resilient-and-Inclusive-Future.pdf>
163. World Bank Group (2022) "Joint Methodology for tracking climate change adaptation finance" [Joint methodology for tracking climate change adaptation finance \(worldbank.org\)](#)
164. World Bank Group (2022) "Understanding Trends in Proliferation and Fragmentation for Aid Effectiveness During Crises" [aid-proliferation-7-19-2022.pdf \(worldbank.org\)](#);
165. World Bank Group (2021) "Climate Change Institutional Assessment" [World Bank Document](#)
166. World Bank Group (2023) "Evolution of the World Bank Group – A Report to Governors"
167. World Bank Group (2023) "Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution" <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>
168. World Bank Group (2023) "Implementing the Umbrella 2.0 Programme Approach: Insights from a Snapshot of 9 Programmes" [Trust Fund Knowledge Note - Implementing the Umbrella 2.0 Program Approach: Insights from a Snapshot of 9 Programs \(worldbank.org\)](#)

169. World Bank Group (2023) "Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment of New operations – Direct Investment Lending Operations" [World Bank Document](#)
170. World Bank Group (2023) "Collective Climate Action – A Joint Statement at COP 26 by the Multilateral Development Banks" [COP26-Joint-MDB-Climate-Ambition-Statement.pdf \(worldbank.org\)](#)
171. World Bank Group (2023) "MDB List of Activities Considered Universally Aligned with Paris Mitigation Goals" [Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment \(worldbank.org\)](#)
172. World Bank Group (2023) "MDB Paris Alignment Principles for Policy-Based Lending" [Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment \(worldbank.org\)](#)
173. World Bank Group (2023) "MDB Paris Alignment Principles for General Corporate Purpose Financing" [Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment \(worldbank.org\)](#)
174. World Bank Group (2023) "Preventing, Preparing for, and Responding to Disease Outbreaks and Pandemics" [World Bank Document](#)
175. World Bank Group (2023) "MDB Paris Alignment Principles for Intermediated Financing" [Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment \(worldbank.org\)](#)
176. World Bank Group (2023) "World Bank Group Corporate Scorecard" <https://scorecard.worldbank.org/en/scorecard/home>
177. World Bank Group (2023) "Climate and Development: An Agenda for Action – Emerging Findings from WBG 2021-22 Country Climate and Development Reports" openknowledge.worldbank.org/server/api/core/bitstreams/2df5ceb2-4b98-595f-b384-4b9590c5388a/content
178. World Bank Group (2023) "World Bank FY23 Climate-Related Financial Disclosures" <https://thedocs.worldbank.org/en/doc/d48f796cf89c941c8c9563c721829ccc-0340022023/original/World-Bank-Climate-Disclosure-FY23.pdf>
179. World Bank Group (2023) "Measuring Climate Impact: A Draft Approach for Going from Inputs to Outcomes" [Measuring Climate Impact: A Draft Approach for Going from Inputs to Outcomes \(worldbank.org\)](#)
180. World Resources Institute (2023) "Unpacking COP28: Key Outcomes from the Dubai Climate Talks and What Comes Next" [COP28: Outcomes and Next Steps | World Resources Institute \(wri.org\)](#)
181. World Resources Institute (2023) "How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies" [How Multilateral Development Banks Can Use Policy-Based Financing to Support Climate-Resilient Economies | World Resources Institute \(wri.org\)](#)

Annex B: MDB Joint Statements

Statement	Key Commitments
<p>Delivering Climate Change Action at Scale: Our Commitment to Implementation</p> <p>Joint Statement by the Multilateral Development Banks at COP21, Paris (2015) ²¹⁶</p>	<ul style="list-style-type: none"> • Increase climate finance, setting individual targets to contribute to increasing climate finance to USD 100 billion by 2020. • Consider climate change across strategies, programmes and operations to deliver more sustainable results, with a focus on the poor and vulnerable. • Increase clients' access to external concessional resources through the Climate Investment Funds (CIF), Global Environment Facility (GEF) and the Green Climate Fund (GCF).
<p>One Planet Summit – Joint IDFC-MDB Statement – Together Major Development Finance Institutions Align Financial Flows with the Paris Agreement (2017) ²¹⁷</p>	<p>In the context of the One Planet Summit, the IDFC MDB Joint Statement indicates commitments to:</p> <ul style="list-style-type: none"> • Further embed climate considerations into strategies and activities, particularly with respect to managing climate risk and the integration of climate resilience and adaptation. • Align financial flows with the objectives of the Paris Agreement. • Use their capital to mobilise additional private capital, including through blended finance. • Collaborate to improve the quality, robustness, transparency, and consistency of climate finance tracking and reporting. • Support the shifting of assets to sustainable asset classes, including through the use of a shadow price of carbon and reporting of GHG emissions, employing measures to avoid deforestation, encourage improved land use, and promote policies that reduce reliance on fossil fuels. • Support the development of enabling policy and regulatory environments through policy dialogue, technical capacity development, institutional strengthening, and the translation of NDCs into policies and a pipeline of financeable projects; • Support clients in developing Long-term Strategies to reach net-zero emissions.

²¹⁶ [joint-mdb-statement-climate_nov-28_final.pdf \(eib.org\)](#)

²¹⁷ <https://www.afdb.org/fr/news-and-events/one-planet-summit-joint-idfc-mdb-statement-together-major-development-finance-institutions-align-financial-flows-with-the-paris-agreement-17685>

Statement	Key Commitments
<p>COP24 – The MDBs’ alignment approach to the objectives of the Paris Agreement: Working together to catalyse low-emissions and climate-resilient development (2018)²¹⁸</p>	<ul style="list-style-type: none"> • Overall alignment of operations with mitigation goals and low-emissions development pathways in a way that is compatible with the overall climate mitigation objectives of the Paris Agreement. • Management of physical climate change risks and identification of opportunities to make investments more climate resilient alongside an overall increase in support to clients and communities to enhance their ability to adapt to the adverse impacts of climate change. • Support the revision of NDCs and the development of long-term strategies to accelerate the transition to low-emissions and climate-resilient development pathways. • Develop tools and harmonised method to characterise, monitor and report on the results of Paris alignment activities. • Ensure internal operations, facilities and policies are in line with the objectives of the Paris Agreement.
<p>High Level MDB Statement – UNSG Climate Action Summit (2019)²¹⁹</p>	<ul style="list-style-type: none"> • Increase overall contribution to climate finance to at least USD 65 billion annually by 2025, including USD 50 billion for low- and middle-income economies. • Double the total level of adaptation finance provided to clients to USD 18 billion annually by 2025 to scale up support for climate resilience in client projects and promote enhanced systemic resilience. • Mobilise a further USD 40 billion from private sector investors, including through the provision of technical assistance use of guarantees and other de-risking instruments. • Develop principles for the Paris alignment of intermediated financing activities and an overall transparency framework for reporting. • Develop financing policies and strategies to support a just transition that promotes economic diversification and inclusion.
<p>Collective Climate Ambition – A Joint Statement at COP26 by the Multilateral Development Banks²²⁰</p>	<ul style="list-style-type: none"> • Promote natural capital, biodiversity and nature-based solutions as well as gender-smart climate solutions; • Support just transition in communities, regions, and sectors directly impacted by low-carbon energy, transport, and industrial transitions, taking into account socio-economic trade-offs. • Identify dedicated approaches to assess the Paris-alignment of Policy-based lending, real sector operations and lending through financial intermediaries. • Support the development of National Adaptation Plans (NAPs) alongside the formulation of robust NDCs and LTSs, including through a potential joint MDB LTS Facility. • Support clients in integrating planning for net-zero emissions and climate resilient development in key sectors such as energy, cities, food and land use, water, and industry. • Support countries to design, pilot and implement carbon pricing instruments, including carbon tax and fossil-fuel subsidy reduction. • Pursue an active co-ordination and partnership approach with organisations and coalitions to achieve the goals of the Paris Agreement.

²¹⁸ [Microsoft Word - Joint Declaration MDBs Alignment Approach to Paris Agreement COP24 Final.docx \(worldbank.org\)](https://www.worldbank.org/press/joint-mdb-statement-climate-change-finance-un-climate-summit-2019-en.pdf)
²¹⁹ <https://www.eib.org/attachments/press/joint-mdb-statement-climate-change-finance-un-climate-summit-2019-en.pdf>
²²⁰ [COP26-Joint-MDB-Climate-Ambition-Statement.pdf \(worldbank.org\)](https://www.worldbank.org/press/joint-mdb-statement-climate-change-finance-un-climate-summit-2019-en.pdf)

Statement	Key Commitments
COP27 Multilateral Development Banks Joint Statement ²²¹	<ul style="list-style-type: none"> • Support countries in the formulation of LTS, NDCs, NAPS, sectoral and sub-national transition pathways through sound and evidence-based analysis and diagnostic work. • Support the formulation of policies to spur systemic change and provide the legal and regulatory certainty to attract investment, moving from green projects to greening economies. • Define investment plans and pipelines and mobilise financing sources, including public, private and blended finance, to increase access to concessional finance for private sector and middle-income countries. • Scale up private sector mobilisation with a focus on market creation and generating market confidence, pipeline development and early-stage finance support. Catalyse markets through asset class, market infrastructure development and greening capital markets.
COP28 Multilateral Development Banks Joint Statement ²²²	<ul style="list-style-type: none"> • Deliver record levels of climate finance and private finance mobilisation. Attract private capital at scale by creating enabling regulatory environments, developing project pipelines, addressing currency exchange risks and developing innovative instruments. • Paris alignment of financial flows, including sharing knowledge and experience and harmonising approaches with the broader finance community. • Support just transition efforts in diverse sectors and regions. • Take socially inclusive, gender-responsive and nature positive climate and development action that consider our different mandates, unique country and client networks, operating models, geographies, and expertise. • Increase focus on measuring outcomes, including collaboration to harmonise and improve methodologies. • Scale up analytics to better integrate climate and development and help countries identify priorities and investment opportunities. • Support Long-term Strategies through a new Joint MDB LTS Programme to co-ordinate support to countries around the formulation of LTS. • Support country-level platforms to enhance in-country co-ordination and impact in all aspects of development, including climate. • Scale up adaptation financing and support to adaptation and disaster risk management through policy and planning support, risk assessment, preparedness for disaster and recovery, post-disaster reconstruction, financing, capacity building, and knowledge sharing. • Strengthen governance frameworks that link climate and nature, water, gender and health.

²²¹ <https://www.eib.org/attachments/press/cop27-mdb-joint-statement-en.pdf>

²²² European Investment Bank (2023) "COP28 Multilateral Development Banks (MDB) Joint Statement" [COP28: Multilateral Development Banks boost joint action on climate and development \(eib.org\)](#)

Annex C: Background – MDB Climate Change Strategies and Vertical Funds

Selection of MDB Climate Change Strategies and Action Plans

The **World Bank Group's Climate Change Action Plan** (CCAP, 2021-25) is designed to advance the climate change aspects of the Bank Group's approach to green, resilient, and inclusive development. Under the CCAP, the WBG is focused on helping countries and private sector clients: (i) Integrate climate and development goals; (ii) prioritise action on the most impactful mitigation and adaptation opportunities, with a focus on five key systems (energy; agriculture, food, water, and land; cities; transport; and manufacturing); and (iii) drive climate finance and private capital. The CCAP introduces a new climate finance target of at least 35% on average over 2021-2025, with at least half of IBRD/IDA climate financing for adaptation. It also has committed the WBG to aligning new financing with the goals of the Paris Agreement and introduced the Country Climate and Development Report diagnostic (CCDR, discussed below). Additionally, the CCAP highlights the centrality of nature and biodiversity and a people-focused approach.

The **EBRD's Green Economy Transition Approach (2021-2025)** aims to support transition of its Countries of Operation (COOs) to a green economy, defined as a "market economy in which public and private investments are made with a specific concern to minimise the impact of economic activity on the environment and where market failures are addressed through improved policy and legal frameworks". Accompanying this vision is a special emphasis on nature and catalysing innovation. The strategy focuses on the importance of institutional capacity support and policy work to support the development of more ambitious NDCs and LTS, facilitating strategic private investments across targeted sectors and seeking to ramp up green finance to more than 50% of approvals by 2025.

The **Asian Development Bank's Climate Change Operational Framework (2017-2030)** supports the implementation of its broader Strategy 2030, with the overarching goals of eliminating poverty, promoting prosperity, deepening inclusion, strengthening sustainability and building resilience. The Operational Framework includes five guiding principles for the ADBs' climate activities: (i) support the objectives of NDCs and other climate plans; (ii) accelerate low GHG investment across sectors; (iii) promote climate change adaptation; (iv) integrate approaches to adaptation and disaster risk management; and (v) link climate actions to the wider sustainable development agenda. Special emphasis is placed on supporting policy development and reform through knowledge work, promoting the use of climate technology, full mainstreaming across the institution and delivering climate action through partnerships. The strategy includes novel approaches to measuring results, including changes in the Notre Dame Global Adaptation Index (ND GAIN), "cost-effective" GHG emission reduction (emissions avoided per dollar of finance), and the proportion of Country Partnership Strategies that address climate technology, projects with more than 10% climate finance, and projects implemented jointly with development partners.

The **African Development Bank Group's Climate Change and Green Growth Strategic Framework (2021-2030)** identifies four key pillars for climate change action, alongside four areas of cross-cutting emphasis. These pillars are: (i) adaptation; (ii) mitigation; (iii) leveraging and mobilisation of finance; and (iv) creating an enabling environment for climate action and green investment, including through supporting the development and implementation of NDCs and LTS. Areas of special emphasis include gender, youth, social inclusion, private sector development and fostering a robust, resilient recovery. The Strategic Framework identifies targeted sectors aligned with the key pillars of the strategy as well as specific results targets, with the objective of scaling up ownership across different parts of the Bank through matrix management structures. The Strategy seeks to yield USD 25 billion in additional climate finance, including year-over-year growth and adaptation and mitigation parity.

The **Inter-American Development Bank's Climate Change Action Plan (2021-25)** underscores that climate change threatens the achievement of social and economic development results across Latin America and the Caribbean. The Action Plan identifies six building blocks for IDB's climate action, aligned to MDB commitments at the 2017 One Planet Summit: (i) providing policy support, including for the implementation of NDCs and development of LTS; (ii) aligning operations with mitigation and temperature goals; (iii) aligning operations with climate resilience development pathways; (iv) accelerating contribution to transition through climate finance; (v) reporting; and (vi) aligning internal activities. Notable initiatives include strengthening mainstreaming approaches with respect to disaster risk management and biodiversity and strong emphasis on knowledge work and technical assistance in supporting the implementation of NDCs and delivery of LTS. The results framework addresses emissions avoided, forest area as a proportion of total land area and economic losses from natural disasters.

Background on Vertical Funds

Global Environment Facility (GEF): The GEF was established ahead of the 1992 Rio Earth Summit, providing grants and blended finance to projects related to biodiversity, climate change, international waters, land degradation, persistent organic pollutants, mercury, sustainable forest management, food security, and sustainable cities in developing countries.

Support is provided to government agencies, civil society organisations, private sector companies, research institutions and other partners. Among its 18 Implementing Agencies are the World Bank, Inter-American Development Bank, Asian Development Bank, African Development Bank, European Bank for Reconstruction and Development, and International Fund for Agricultural Development.

In addition, the GEF serves as the financial mechanism for five multilateral conventions: (i) the Convention on Biological Diversity; (ii) The United Nations Framework Convention on Climate Change; (iii) the United Nations Convention to Combat Desertification; (iv) The Stockholm Convention on Persistent Organic Pollutants; and (v) the Minamata Convention on Mercury. The GEF also supports the implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer.

The GEF also includes a range of other trust funds, including:

- The Least Developed Countries Fund, which addresses the needs of the least developed countries that are especially vulnerable to the adverse impacts of climate change, including the financing and implementation of National Adaptation Programmes of Action;
- The Special Climate Change Fund, which supports adaptation and technology transfer including both long-term and short-term adaptation activities for water resources management, land management, agriculture, health, infrastructure development, and fragile ecosystems;
- The Global Biodiversity Framework Fund, which aims to help countries achieve the Kunming-Montreal Global Biodiversity Framework goals and targets with a strategic focus on strengthening national-level biodiversity management, planning, policy, governance, and finance approaches;
- The Capacity-Building Initiative for Transparency, which strengthens the institutional and technical capacities of developing countries to meet the enhanced transparency requirements of the Paris Agreement; and
- The GEF also has strong ties to the Adaptation Fund (AF), which has its own governing body. The AF finances adaptation projects and programmes in developing countries that are particularly vulnerable to climate change. It pioneered a direct access approach, enabling accredited National Implementing Entities to directly access climate finance.

Since its establishment, the GEF has provided more than USD 23 billion and mobilised USD 129 billion in co-financing for more than 5 000 national and regional projects.

Climate Investment Funds (CIFs): Founded in 2008, the CIF is the only multilateral climate fund that works exclusively with 6 MDBs as implementing partners.

CIF invests in the deployment of clean technologies with significant potential for GHG emissions savings such as renewable energy and energy storage, accelerating coal transitions, climate resilience, forest ecosystems, and nature and people through the sustainable management of land and natural resources. CIF concessional financing offers flexibility to test new business models and approaches, build track records in unproven markets, and boost investor confidence to unlock additional finance from other sources, particularly the private sector and MDBs that implement CIF funding.

The CIF works through a programmatic approach that includes the approval of a country programme followed by support for individual projects, including projects implemented through its MDB partners and non-IP projects. The CIF comprises the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF).

In 2019, the CIF Technical Assistance Facility was established to support upstream activities leading to the strengthening of policy and regulatory environments, building human and institutional capacity and design of innovative instruments for market-facing solutions with the goal of accelerating downstream clean-energy investments.

As of December 2022, CIF had approved USD 7.5 billion for 407 projects worldwide, which are expected to mobilise USD 64.3 billion in co-financing.

Green Climate Fund (GCF): The GCF was established as an operating entity of the Financial Mechanism for the United Nations Framework Convention on Climate Change to assist countries in implementing adaptation and mitigation initiatives to counter climate change. Overall, the GCF seeks to support “paradigm shifts” in both climate mitigation and adaptation efforts, including a 50/50 balance between mitigation and adaptation investments over time.

The GCF seeks to have an impact within eight mitigation and adaptation areas: (i) health, food and water security; (ii) livelihoods of people and communities; (iii) energy generation and access; (iv) transport; (v) infrastructure and built environment; (vi) ecosystems and ecosystems services; (vii) buildings, cities, industries and appliances; and (viii) forests and land use.

The GCF works through over 150 countries who have identified a National Designated Authority or Focal Point. The GCF works through both accredited Direct Access Entities and International Access Entities to deliver mitigation and adaptation results. Furthermore, the GCF's Private Sector Facility (PSF) provides a dedicated source of funds to mobilise private sector actors, including institutional investors and financial institutions.

As of July 2023, GCF's portfolio included 228 projects at USD 12.8 billion, mobilising USD 35.5 million in co-financing.

Annex D: Stakeholders Interviewed

Stakeholder	Organisation
Lindsay Marie Renaud	Asian Development Bank
Ramesh Subramaniam	Asian Development Bank
Scott Roberts	Asian Development Bank
Naeeda Morgado	Asian Development Bank
Jacob Sorenson	Asian Development Bank
Lu Shen	Asian Development Bank
Harry Boyd Carpenter	European Bank for Reconstruction and Development
Jan-Willem van de Ven	European Bank for Reconstruction and Development
Camilla Otta	European Bank for Reconstruction and Development
Graham George Watkins	Inter-American Development Bank
Amy Lewis	Inter-American Development Bank
Hilen Meirovich	IDB Invest
Jyotsna Puri	International Fund for Agricultural Development
Raniya Sayed Khan	International Fund for Agricultural Development
Sara Svastano	International Fund for Agricultural Development
Jahan-Zeb Chowdhury	International Fund for Agricultural Development
Hisham Zehni	International Fund for Agricultural Development
Pierre-Yves Guedez	International Fund for Agricultural Development
Lenyara Fundukova	International Fund for Agricultural Development
Stefania Lenoci	International Fund for Agricultural Development
Roy Sudharshan Canagarajah	World Bank
Brice Jean Marie Quesnel	World Bank
Sonia Luthra	World Bank
Nancy Vandyke	World Bank
Diego Carillo	World Bank
Wolfgang Koehling	World Bank
Neha Sharma	Climate Investment Funds
Go Mukai	Climate Investment Funds
Sandra Maria Romboli	Climate Investment Funds
Jacob James Thoppil	Climate Investment Funds
Remy Ruat	Global Environment Facility
Filippo Berardi	Global Environment Facility

Annex E: Country Strategies


Institution	Country	Date range	Describes adaptation and mitigation needs	Identifies support for NDCs / LTS	Identifies key policy environment issues
IDB Group	Panama	2021-24	Yes	Yes	Yes
IDB Group	Argentina	2021-23	Yes	Yes	Yes
IDB Group	Dominican Republic	2021-24	Yes	Yes	Not specified
IDB Group	Jamaica	2022-26	Yes	Yes	Not specified
IDB Group	Ecuador	2022-25	Yes	Yes	Yes
IDB Group	Chile	2022-26	Yes	Yes	Yes
IDB Group	Peru		Yes	Yes	Yes
Asian Development Bank	Maldives	2020-2024	Yes	Yes	Yes
Asian Development Bank	Kazakhstan	2023-27	Yes	Yes	Yes
Asian Development Bank	Viet Nam	2023-26	Yes	Yes	Yes
Asian Development Bank	Bangladesh	2021-25	Yes	Yes	Yes
Asian Development Bank	Timor-Leste	2023-27	Yes	Yes	Yes
Asian Development Bank	Mongolia	2021-24	Yes	Yes	Yes
Asian Development Bank	Indonesia	2020-24	Yes	Yes	Yes
African Development Bank	Cameroon	2023-28	Yes	Yes	Yes
African Development Bank	Mozambique	2023-28	Yes	Not specified	Yes
African Development Bank	Ethiopia	2023-27	Yes	Not specified	Yes
African Development Bank	Senegal	2021-25	Yes	Not specified	Not specified



Identifies knowledge products linked to policy goals	Identifies private sector enabling actions	Climate knowledge results	Private Climate Investment results	Climate mitigation results	Climate adaptation results
Not specified	Yes	Not specified	Not specified	Yes (Outcome)	Not specified
Not specified	Yes	Not specified	Not specified	Yes (Outcome)	Yes (Output)
Yes	Yes	Not specified	Not specified	Not specified	Not specified
Yes	Yes	Not specified	Not specified	Yes (Outcome)	Not specified
Not specified	Yes	Not specified	Not specified	Yes (Output)	Not specified
Not specific	Yes	Not specified	Not specified	Yes (Outcome)	Not specified
Not specified	Yes	Yes (Output)	Not specified	Not specified	Yes (Output)
Yes	Yes	Not specified	Not specified	Yes (Outcome)	Yes (Output)
Yes	Yes	Not specified	Not specified	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Output)	Not specified	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Output)	Yes (Outcome)	Yes (Outcome)	Yes (Output)
Yes	Yes	None specified	Yes (Output)	Not specified	Yes (Output)
Yes	Yes	Yes (Output)	Not specified	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Output)	Not specified	Yes (Outcome)	Yes (Outcome)
Not specified	Yes	Yes (Output)	Yes (Output)	Yes (Output)	Yes (Output)
Yes	Yes	Yes (Output)	Yes	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Output)	Yes (Outcome)	Yes (Output)	Yes (Output)
Not specified	Yes	Yes (Outcome)	Not specified	Yes (Output and Outcome)	Not specified


Institution	Country	Date range	Describes adaptation and mitigation needs	Identifies support for NDCs / LTS	Identifies key policy environment issues
African Development Bank	Tunisia	Extension 2017-23	Yes	Not specified	Yes
African Development Bank	Mauritius	2022-27	Yes	Not specified	Yes
African Development Bank	Rwanda	2022-26	Yes	Not specified	Yes
World Bank Group	South Africa	2022-26	Yes	Yes	Yes
World Bank Group	Indonesia	2021-25	Yes	Yes	Yes
World Bank Group	Egypt	2023-27	Yes	Yes	Yes
World Bank Group	Peru	2023-27	Yes	Not specified	Not specified
World Bank Group	Bangladesh	2023-27	Yes	Yes	Yes
World Bank Group	Ecuador	2019-23	Yes	Yes	Yes
World Bank Group	Senegal	2020-24	Yes	Yes	Yes
World Bank Group	Thailand	2019-22	Yes	Not specified	Not specified
World Bank Group	Morocco	2019-2024	Yes	Yes	Yes
World Bank Group	Kazakhstan	2020-2025	Yes	Yes	Yes
EBRD	Egypt	2022-27	Yes	Yes	Yes
EBRD	Kazakhstan	2022-27	Yes	Yes	Yes
EBRD	Turkey	2019-24	Yes	Yes	Yes
EBRD	Armenia	2019-24	Yes	Not specified	Yes
EBRD	Jordan	2020-25	Yes	Yes	Yes
EBRD	Mongolia	2022-27	Yes	Yes	Yes
IFC	Kenya	2021-25	Yes	Not specified	Yes
IFC	Senegal	2019-2024	Yes	Not specified	Yes
IFC	Serbia	2020-2024	Yes	Yes	Yes

Identifies knowledge products linked to policy goals	Identifies private sector enabling actions	Climate knowledge results	Private Climate Investment results	Climate mitigation results	Climate adaptation results
Not specified	Not specified	Not specified	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Not specified	Yes (Output and Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Output)
Yes	Not specified	Not specified	Yes (Output)	Yes (Outcomes)	None specified
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Output)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Not specified	Yes (Output)	Yes (Outcome)	Yes (Output)	Yes (Output and Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Not specified	Not specified	Yes (Output and Outcome)	Yes (Output and Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Not specified	Not specified
Yes	Yes	Yes (Output)	Yes (Outcome)	None specified	Yes (Output)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	None specified
Yes	Yes	Not specified	Not specified	Yes (Outcome)	Yes (Outcome)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Not specified
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Yes (Output)
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Not specified	Not specified
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Not specified	Not specified
Yes	Yes	Yes (Outcome)	Yes (Outcome)	Yes (Outcome)	Not specified





 www.mopanonline.org
 secretariat@mopanonline.org

 www.mopanonline.org

 secretariat@mopanonline.org