



Joint Statement by the Multilateral Development Banks at Paris, COP21

Delivering Climate Change Action at Scale: Our Commitment to Implementation

We, the undersigned Multilateral Development Banks (MDBs), are committed to working together to substantially increase climate investments from public and private sectors to support our member countries' efforts. We will also ensure that our development programs consider climate risks and opportunities.

We do this in the context of the development needs of our clients, the Sustainable Development Goals, and the Intended Nationally Determined Contributions for climate action submitted by around 180 countries to the United Nations Framework Convention on Climate Change.

We already provide policy, advisory, financial, and technical support to countries as they transition toward a lower carbon, more climate resilient future.

We have a strong record of working with partners to finance investments that address the effects of climate change. Since 2011, we have collectively committed an average of US\$26.5 billion a year in climate finance for developing and emerging countries.

MDB finance is usually combined with substantial funds from other public and private sources of financing. In 2014, along with funding from the MDBs, US\$46.0 billion in public and US\$18.3 billion in private financing supported client projects with climate co-benefits. Together MDB financing with other financing sources deliver greater climate co-benefits for our clients.

In accordance with our mandates and resources, we pledge to increase our climate finance and to support the outcomes of the Paris conference through 2020.

Each of our organizations has set goals for increasing its climate finance and for leveraging finance from other sources. In some cases, this requires continued access to concessional resources – see Box 1. These pledges support the US\$100 billion a year commitment by 2020 for climate action in developing countries.

Box 1 - Commitments to Action and Implementation

The **African Development Bank** announced that it would triple its climate financing to reach nearly US\$5 billion annually by 2020.

The **Asian Development Bank** announced that it would more than double its annual climate financing, up to US\$6 billion by 2020. US\$4 billion will be for mitigation, US\$2 billion for adaptation.

The **European Bank for Reconstruction and Development** indicated that it would increase the share of environment/ climate financing from 25 percent to 40 percent of annual commitments by 2020; this will provide US\$20 billion over the next five years, versus US\$20 billion over the last ten years.

The **European Investment Bank** will finance US\$20 billion a year globally for the next five years under its recently announced climate strategy commitments, a total of US\$100 billion, equal to at least 25% of its overall lending for the period. In order to strengthen the impact of EIB's financing, notably in developing countries, the EIB aims to increase its lending for climate action in those countries to 35 percent of total lending by 2020.

The **Inter-American Development Bank** announced its aim to double the volume of its climate finance by 2020, provided support of its Governors, this would mean increasing from an average of 14 percent of annual commitments over the last three years to 25-30 percent average commitment by 2020.

The **World Bank Group**, provided support of its Governors, pledged a one-third increase in climate financing, from 21 percent to 28 percent of annual commitments by 2020. If financial capacity were maintained at today's level in real terms, this means reaching US\$16 billion a year in public finance. The Bank Group intends to continue leveraging its current levels of co-financing for climate-related projects, which could mean up to an additional US\$13 billion a year in 2020. The direct financing and leveraged co-financing together represent an estimated US\$29 billion.

Maximizing our Value through Increased, Integrated Climate Action

As a coalition of development banks, committed to common goals, we have a responsibility to respond to these global threats. We will continue to consider climate change across our strategies, programs, and operations to deliver more sustainable results, with a particular focus on the poor and most vulnerable.

Together with around 17 other multilateral, bilateral, national and commercial finance institutions, we support the voluntary Principles for Mainstreaming Climate Action within Financial Institutions. The Principles will guide our climate-smart development priorities, and provide a platform for learning and knowledge sharing.

We recognize that decarbonizing the global economy in the second half of this century will require trillions of dollars of investment. While public finance is important, we intend to continue to work with the private sector for its network, innovations, and technical and management capacity.

We will increase our clients’ access to external concessional resources, including the Climate Investment Funds, the Global Environment Facility, and, moving forward, the Green Climate Fund. These funds provide technical and policy assistance, capacity building, and help to mitigate risk. Combining these resources with our own makes our work more impactful.

We use our global reach, technical expertise, and local knowledge to tackle climate change at all levels – from policy through operations. We also have the convening power to bring many actors to work with our public and private sector clients.

We are committed to development effectiveness, and will continue to share lessons based on our years of experience. We will report on our climate finance and co-finance flows in a way that is coordinated, transparent, and robust. We will also measure the impact of our work in partnership with others, including the International Development Finance Club.

We are committed to providing the best solutions for our clients and the world’s poorest. With our member countries in the lead, we will respond ambitiously to this great challenge.



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