



High Level MDB Statement

UNSG CLIMATE ACTION SUMMIT, 22 SEPTEMBER 2019

Multilateral Development Banks have been at the forefront of supporting our clients' efforts to pursue ambitious climate action for more than a decade. In light of growing climate change impacts, including on the poorest and most vulnerable, each of our institutions is taking urgent action to help our clients adapt to and mitigate climate risks. These actions include:

ACTION 1: Each institution has individually committed to support increased climate finance levels over time:

- Given the growth in climate finance support each of us has achieved to date, we expect our individual efforts to collectively total at least **USD\$65 billion annually by 2025, with \$50 billion for low and middle income economies**, 50 percent above current levels.¹
- We expect our collective efforts to double the total level of adaptation finance provided to clients **to USD\$18 billion annually by 2025**, compared to current levels. This responds to the urgent need to scale-up support for **climate resilience in client projects and for enhanced systemic resilience.**

ACTION 2: Based on current trends, we expect our collective efforts to also result in a further **\$40 billion of climate investments mobilized annually by 2025 from private sector investors**, including through the increased provision of technical assistance, use of guarantees, and other de-risking instruments.

ACTION 3: Commit to **helping our clients deliver on the goals of the Paris Agreement.** At COP25 we will present key elements of our common framework, which defines clear principles each institution will incorporate, starting from 2021, in ways reflective of their unique client base and operations. Principles for intermediated financing activities are still under development and will be presented by the time of COP26.

ACTION 4: Develop a new **transparency framework** to report on both the impact of each MDB's activities and how these are helping clients meet and exceed commitments they have made, to be presented at COP25. This framework will be informed by consultations with multiple stakeholders, with the objective of broadening its use across the financial sector, beyond MDBs.

ACTION 5: Each institution will take actions to help clients move away from the use of fossil fuels by:

¹ Climate finance commitments are made by each institution individually, and any reporting on collective totals in no way implies an obligation to help another institution achieve their commitments.

- Sharing at COP25 **principles that can help our public and private sector clients design and implement long-term low GHG emissions and climate resilient strategies that grow in ambition over time.** This approach should help governments assess their individual progress on their climate commitments and help bridge the gap between the countries' current efforts and the long-term goals of signatories to the Paris Agreement.
- Continue working with national development banks and other financial institutions, to develop, by COP26, financing and policy strategies supporting a ***just transition*** that promotes economic diversification and inclusion.

In all of our actions, we will focus on **building and strengthening partnerships that enhance support for clients.** Specifically, we will accelerate dissemination of international best practices on climate risk disclosure across the financial sector. We will continue to work with commercial bank partners and DFIs, in particular with the members of the IDFC, and through the Climate Action in Financial Institutions Initiative and regional initiatives. Our work with national governments, the private sector, the donor community, civil society organizations, and global climate funds, such as the GCF, GEF and CIF, will remain key for countries to achieve ambitious transformation in line with their Paris Agreement commitments.