

WORLD BANK GROUP

COUNTRY **CLIMATE AND** DEVELOPMENT REPORT

WHY CCDRs?

Climate change and development must be tackled together to deliver on our twin goals of reducing poverty and boosting shared prosperity.



- Climate change poses serious threats to sustainable development. Countries urgently need to integrate efforts to reduce greenhouse gas emissions (GHG) and address adaptation and resilience in their development strategies.
- Integrating climate and development is a pillar of the <u>WBG's new Climate Change Action Plan 2021 2025</u>. To advance its implementation, the WBG has launched a new, core diagnostic tool: the Country Climate and Development Report (CCDR).

WHAT ARE CCDRs?

Diagnostic that focuses on the **interplay between development** (including poverty reduction, growth, inequality), **climate change and climate policies** in the context of the Paris Agreement.

Firmly anchored in a **country's development goals**.

- Considers the range of vulnerability, emissions, and stages of development, and main challenges faced by the country and the available evidence base.
- Developed through active engagement with government counterparts, the private sector, academia, think tanks, and civil society.
- Analytical products to inform choices and prioritization, not development plans or prescriptive products

The CCDR is a joint product of the World Bank Group, developed together by IBRD/IDA, IFC and MIGA.





What will success look like?

Informing Policies and Investments

CCDRs help inform policy and institutional reforms, as well as public and private investments, that support high-impact climate action.

For the high-emitting countries, this means integrating GHG reduction with development objectives in their approaches, planning, budgeting, and strategies, while also integrating adaptation and resilience considerations.

For countries with high vulnerability, integrating approaches that help them prepare better and adapt to the risks of climate change, while also considering the benefits of a transition to a low economy.

Facilitating coordination

As public documents, CCDRs can inform governments, their citizens, and our partners to engage with the development and climate agenda, supported by better coordination at the country level.

CCDRs can also be help direct concessional and commercial financing to high impact climate action from development financiers, including non-traditional donors, and the private sector.

EMERGING INSIGHTS FROM THE FIRST SET OF REPORTS

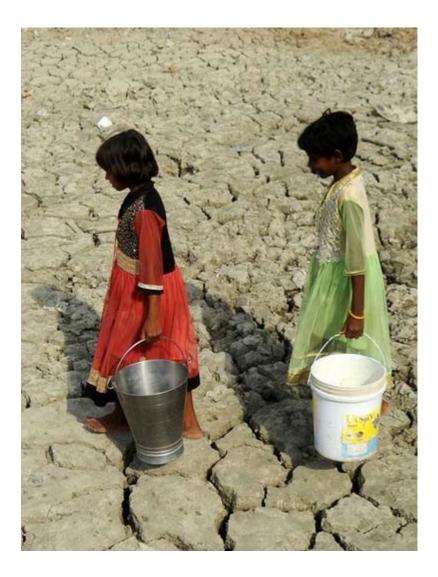
#1 Adaptation and resilience actions have high returns and contribute to development and poverty reduction, but they cannot cancel all impacts

#2 Countries can reduce emissions without compromising growth and development, but success requires good policies and more financing, with much larger challenges for lower-income countries

#3 Addressing global forest loss and boosting carbon sequestration in ecosystems and soils is key to achieving global climate change objectives.

#4 Access to finance, governance, and political economy remain the major obstacles to implementing resilient low-carbon development pathways

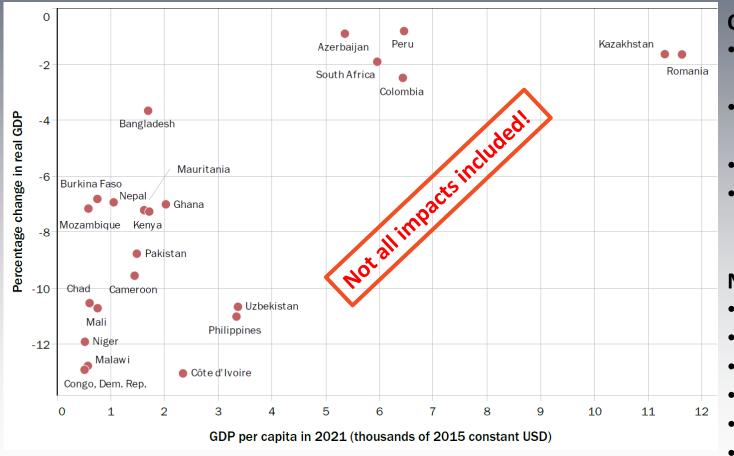
High-income countries need to take the lead in reducing emissions, and in supporting low-income and middle-income countries in their own action, through technology transfers, financing tools, and a fair opportunity to participate in global green value chains



What are the key challenges in the adaptation and resilience area?

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Climate change will affect GDP and growth...



From World Bank's Country Climate and Development Reports

Quantified impacts include:

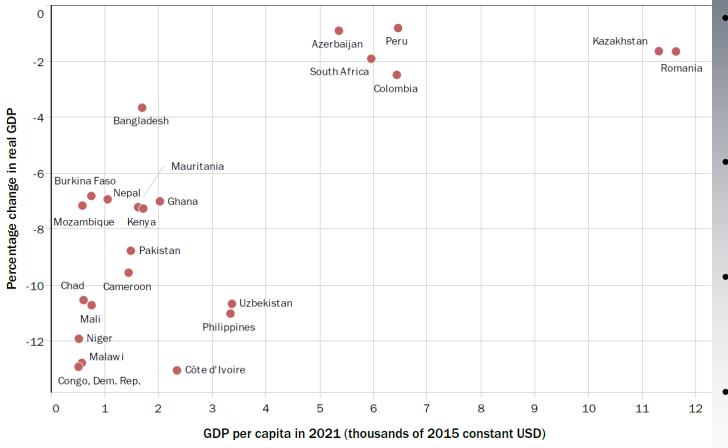
- Reduced labor productivity due to higher average temperature
- Reduced agricultural production (change in average temperature and rainfall)
- Capital losses due to floods and storms
- Increased mortality and morbidity due to some vector-borne disease (malaria, dengue)

Non-quantified impacts include:

- Ecosystem response or collapse, including fires
- Effect of most extreme events and disasters
- Effect of migrations or through trade
- Response of investors or skilled labor
- Tail risks in the global system (e.g., sea level rise)
- All the things we forgot to consider

Climate change will affect GDP and growth...

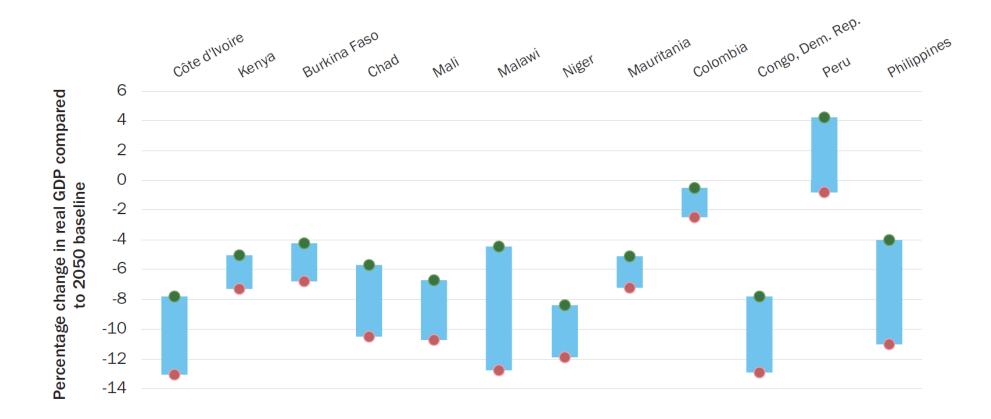
And it may not be the main story



From World Bank's Country Climate and Development Reports

- In DRC, the poverty rate could increase by nearly 8 percentage points due to climate change, pushing 16 million people into poverty by 2050.
- In Colombia, poorer areas are more exposed to floods and droughts, and climate change is expected to increase inequality
- In Kenya, the mortality and morbidity due to malaria and dengue are expected to increase by 56 and 35 percent respectively by 2050.
- In Benin, women are particularly vulnerable due to pre-existing gender inequalities. For instance, only 4 percent of women claim agricultural land ownership compared to 26 percent of men

Adaptation is a great investment, but it alone cannot completely prevent climate impacts

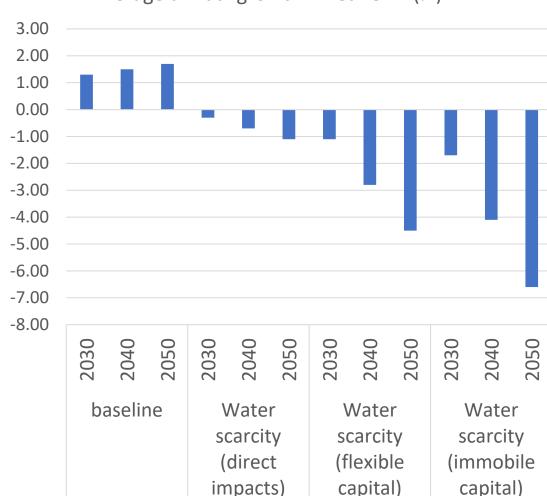


Notes: The red dots show the impact of climate change represented in CCDRs, with current policies and practices; the green dots show the impacts with recommended adaptation measures and their co-benefits.

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Ability of the economic system to adjust and transform itself will be critical

Projected Precipitation Percent Change Anomaly for 2080-2099 \equiv Jordan; (Ref. Period: 1995-2014), SSP3-7.0, Multi-Model Ensemble 30 20 10 0 ≈ -10 -20 -30 -40 -50 lan Feb Mar Apr Mav lun lul Aug Sep Oct Nov Dec

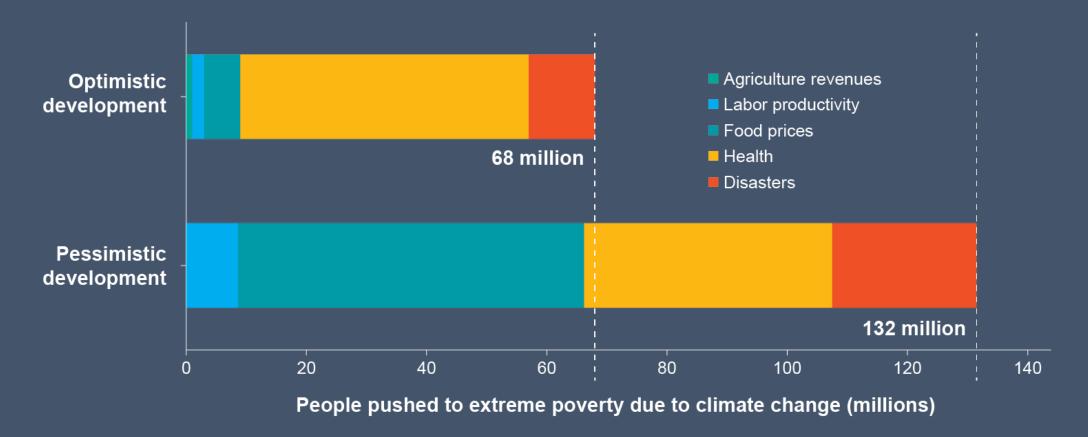


Average annual growth in real GDP (%)

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Development and resilience are self-reinforcing

Inclusive and climate-informed development is adaptation!



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Not all development is the same... resilience requires:



Better education and higher agriculture productivity



Infrastructure development and access to markets



Financial inclusion and private sector development



Stronger and more efficient Unit social protection systems to



Universal access to health care

Infrastructure and assets need to be designed for tomorrow's risks

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The resilient infrastructure opportunity

3%

Average increase in infrastructure costs to build more resilient

In net benefit for each \$1 invested in infrastructure resilience

\$4.2 trillion

Net benefit from building new infrastructure to higher resilience standards

\$100 billion

Cost of delaying action by one year

Boris Rumenov Balabanov/ World Bank



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