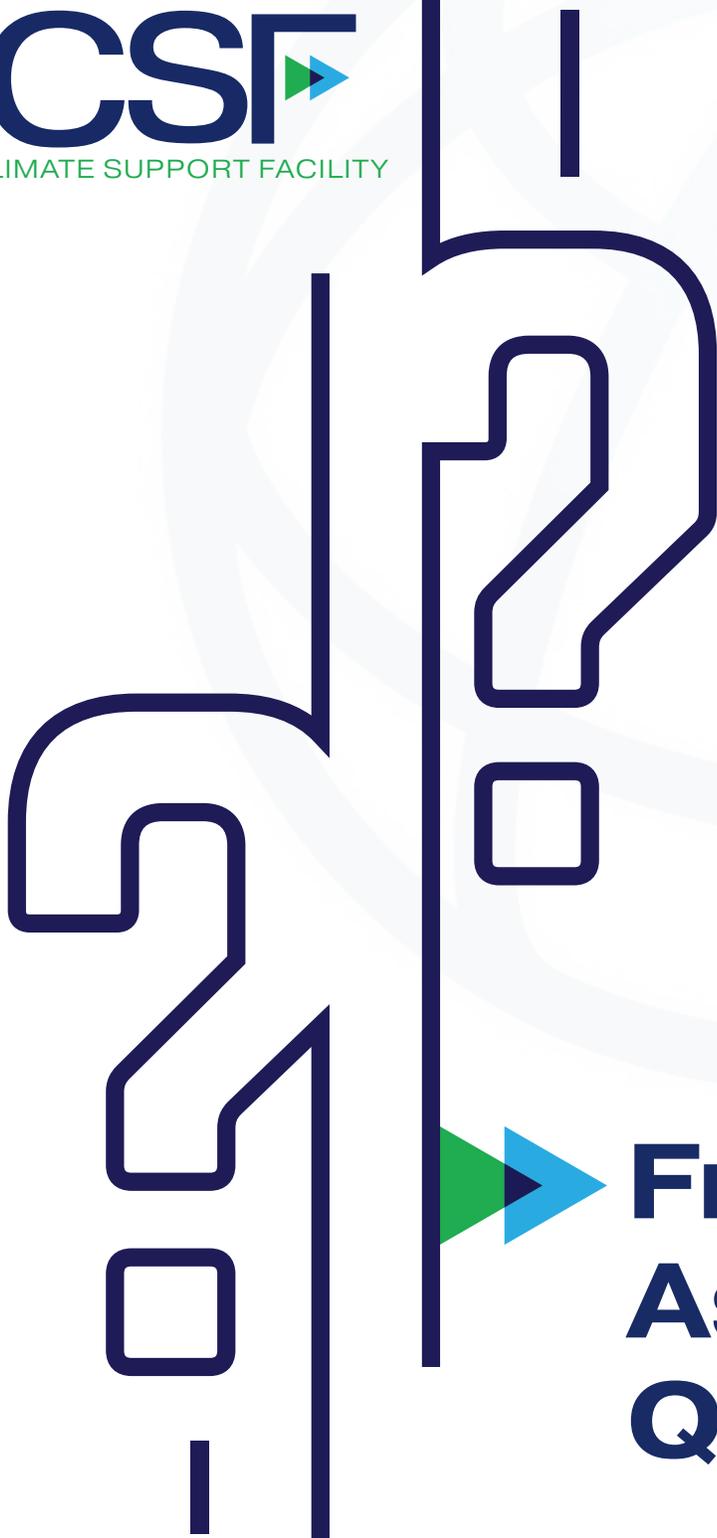




CLIMATE SUPPORT FACILITY



Frequently Asked Questions



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1. WHAT IS THE CLIMATE SUPPORT FACILITY?

The CSF is a new program, structured as a multi-donor trust fund under the World Bank's new Umbrella 2.0 reform principles. The purpose of the CSF is to serve as a guiding framework for countries to:

- Ensure climate change mitigation and adaptation is at the core of economic recovery efforts from COVID-19;
- Identify and sequence green policy reforms and investment needed by key sectors to achieve long-term climate goals; and
- Support development and implementation of more ambitious Nationally Determined Contributions (NDCs) and Long-Term Low-Carbon and Climate-Resilient Strategies (LTSs) in subsequent enhancement cycles.



In achieving this vision, the CSF will aim to ensure that the economic planning and investment decision-making undertaken is part of a "green recovery" process that incorporates long-term low carbon and climate-resilient development goals. The fund is managed by the World Bank Climate Change Group's Advisory and Operations (SCCAO) unit.

2. WHY IS THE CSF'S WORK IMPORTANT?

Ambitious climate action is urgently needed to avoid wiping out global development gains

The next ten years are critical for setting countries on a long-term development pathway that avoids the worst impacts of climate change. Countries need to undertake a systemic economy-wide transformation at an unprecedented rate and scale to achieve mid-century emission reduction (net-zero) targets specified under the Paris Agreement.

Climate action around the globe is not keeping pace with the Paris Agreement temperature goals

In 2020, countries were expected to limit global warming by submitting enhanced NDCs in line with the Paris Agreement. However, COVID-19 has curtailed global negotiations on climate commitments, e.g., COP26, and countries have slowed NDC enhancement as they prioritize COVID-19 response and recovery. To accelerate action, the CSF will mainstream climate across the World Bank and in national processes.

A Green Recovery from COVID-19 will provide countries with a once-in-a-generation opportunity to achieve low-emission and climate-resilient development

Countries can build back from the current economic crisis and align long-term development pathways with the decarbonization of their economies. Countries' stimulus investments can be used to avoid carbon lock-in, advance green technologies, promote NDC-aligned spending, and strengthen climate-friendly policies. Such investments made today can deliver critical systemic, economy-wide change for countries and help set them on development pathways that can unlock low-carbon, resilient benefits for decades to come.

NDCs and LTSs are crucial to achieving the goals of the Paris Agreement by 2050

NDCs and LTSs are powerful tools that can enable countries to envision credible pathways for transitioning to net-zero emissions by mid-century, leveraging economic opportunities of the low-carbon and climate-resilient transition, and informing development planning and investment decisions.



3. HOW WILL THE CSF HELP RAISE CLIMATE AMBITION?

The CSF will deliver three key outcomes for accelerating climate action:

Supporting green economic recovery from the COVID-19 pandemic

- **Project design and implementation:** Support for countries in the design and implementation of green recovery measures in Bank-financed budget support packages, government spending programs, and investments geared toward responding to COVID-19.
- **Economic advisors:** Funds for countries to embed specialized economic advisors in key government ministries responsible for implementing economic recovery measures.
- **Analytics:** Resources to enhance the ability of the World Bank to undertake macro-fiscal, financial, institutional, sector-specific, and other analysis linked to low-emission and climate-resilient economic recovery.

Scaling up LTS and NDC support

- **NDC Partnership whole-of-government support:** The CSF will provide assistance for NDC Partnership member countries to adopt a whole-of-government approach through “Deep Dives” and scale up NDC-relevant actions that inform NDC enhancement and implementation, and LTS development.
- **NDC Partnership country engagement support:** The CSF will also initiate new grants and expand existing grants from the Bank’s NDC Support Facility, now a linked trust fund, in support of country requests received through the NDC Partnership country engagement model.

- Research: The CSF will fund timely research pieces to help inform international policy dialogue on NDCs and LTSs.

Transforming the World Bank's support to countries on climate change

- Mainstreaming: The CSF is the first Bank fund that pulls together targeted technical assistance and analytics from across the Bank, using a strategic, cross-sectoral lens to mainstream climate in country operations.
- Increasing ambition: The CSF will deepen country advisory and analytical services across the Bank to help fulfill World Bank climate commitments under IDA 19, meet targets laid out in the Climate Change Action Plan, and support the Bank in delivering increasingly ambitious climate action.

4. WHAT ACTIVITIES DOES THE CSF SUPPORT?

The CSF finances technical assistance and advisory services to support green recovery and increased climate ambition. Some examples of activities the CSF supports include:

- In partnership with the Equitable, Growth, Finance, and Institutions (EFI) Global Practice, macroeconomic modeling of climate impacts and climate policy, extending the World Bank's core macro-fiscal and general equilibrium modelling frameworks to incorporate climate change variables.
- Creation of a publicly available tool for climate-fiscal risk assessments, a user guide, and pilot trainings for ministries in developing countries.
- Specialized economic advisors deployed to support climate-informed recovery in Albania, Antigua & Barbuda, Colombia, Jamaica, Jordan, and St. Lucia, with others in procurement.
- Just-in-time grant funding to support the Philippines to integrate climate and environmental sustainability in the financial sector.

5. HOW DOES THE CSF COMPLEMENT CLIMATE WORK BEING DONE ACROSS THE WORLD BANK?

To help countries accelerate their transition to low-carbon and climate-resilient development, the CSF forms part of a suite of funds that together provide a major catalyst for substantial scaling of climate action and increased ambition. The CSF and other climate umbrella trust funds work together, complementing each other and, as a package, address the key bottlenecks to scaled climate action. The CSF will also reinforce the priorities of other climate-related programs with a sector focus (e.g., the Energy Sector Management Assistance Program, Global Partnership for Sustainable and Resilient Landscapes, Blue Economy Program, Water and Sanitation Program, and FoodSystems2030 Umbrella), filling gaps in climate-related support, particularly in emissive and climate-sensitive sectors such as energy, transport, water, agriculture, and urban development.

The CSF has allocated most of its funds as grants to World Bank Global Practices, to increase their analytical capacity; and to Regional Units, to mainstream low-emissions and climate-resilient recovery and development within the operations of the Bank at the country level. This combination of grants allows the GRI to take advantage of the analytical strengths of the Global Practices and the implementation capacity of regions.



6. HOW DOES THE CSF RELATE TO THE BANK'S NDC SUPPORT FACILITY?

The World Bank's NDC Support Facility (NDC-SF) was created as a multi-donor trust fund (MDTF) in 2016 to facilitate the implementation of the NDCs pledged by countries under the Paris Agreement in 2015. The CSF anchor MDTF was established in 2020, and the NDC-SF is now linked with the CSF. The NDC-SF will be phased out and the facility will close in December 2022. Activities related to NDC implementation and enhancement will be funded through the CSF's NDC and LTS Development pillar.



7. HOW IS THE CSF FUNDED?

As of March 2021, \$52 million has been committed to the CSF, from a partnership of multiple donors: Germany's Federal Ministry of Economic Cooperation and Development (BMZ), the Foreign, Commonwealth & Development Office (FCDO) of the United Kingdom, and Austrian Federal Ministry of Finance. We welcome additional support for this important agenda.



8. WHO CAN ACCESS CSF RESOURCES?

The CSF will provide support to country governments through the different products offered by the World Bank, and national governments may engage with other actors on these processes. CSF support will be channeled through World Bank Practice Groups, Regional Units, and Country Units, and will be implemented primarily within existing and planned engagement activities with countries. In guiding country prioritization, the CSF will draw on climate action plans developed by each of the Bank's six Regional Units.



9. HOW CAN INTERESTED STAKEHOLDERS LEARN MORE ABOUT THE CSF?

The CSF was launched on December 10, 2020, aligning with the 5th anniversary of the Paris Agreement. The CSF will hold various high-level dialogues, trainings, workshops, and other virtual events. To join these events and learn more about the CSF, please check the following links:

- CSF Brief Page:
<https://www.worldbank.org/en/topic/climatechange/brief/the-climate-support-facility>
- CSF Launch Event:
[“Greening the Response: How National Climate Ambition Can Shape a Sustainable Recovery”](#)

For information about potential partnership opportunities with the CSF, please reach out to climatesupportfacility@worldbank.org.



FAST-FORWARD CLIMATE ACTION

