WBG Climate Finance:
Scaling Up to Address the Global Challenge

WORLD BANK GROUP
A coalition of development partners delivers climate finance

Top 20 Providers of Climate-related Development Finance in 2021

Note: provisional data, awaiting OECD validation, April 2023
Within this coalition, WBG delivers more climate finance than other multilateral development banks combined ...
and delivers double the adaptation finance of other multilateral development banks combined.

Total MDB Climate Finance to Low and Middle Income Countries, 2021

MDB Adaptation Finance to Low and Middle Income Countries, 2021

Since the Paris Agreement, development partners have been scaling-up climate finance

Climate-related Development Finance, 2016-2021

Source: for 2016-2020, OECD data. For 2021, provisional data, awaiting OECD validation, April 2023
... and WBG is responsible for more than half of that scale-up

Burden-sharing of Scale-up of Climate-related Development Finance from 2016 to 2021 ($ billions in 2020 prices)

<table>
<thead>
<tr>
<th>Vertical Funds</th>
<th>Other multilateral providers incl MDBs</th>
<th>G7 bilateral contributions</th>
<th>Other bilateral contributions</th>
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<tbody>
<tr>
<td>1,9b 6%</td>
<td>2,1b 7%</td>
<td>0,8b 3%</td>
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<tr>
<td>8,2b 28%</td>
<td>16,5b 56%</td>
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WBG is responsible for more than half of the scale-up.
WBG has been significantly scaling up our climate finance in recent years...

Half of our climate finance focuses on adaptation. And in FY22, the Bank delivered ~$11.5b climate finance to Sub-Saharan Africa.

 Particularly for the world’s poorest countries, by delivering significantly more climate finance, including significantly more climate grants

IDA climate finance ($ billion and % of total IDA)

Climate grants to IDA countries increased by 500% in last 6 years.

In FY22, 60% of IDA climate finance focused on adaptation

Note: FY22 includes all IDA19 Y2 operations.
Since creating the world's first Green Bond in 2008, we've continued to innovate, and today are the world's single largest issuer of Sustainability Bonds.

Green, Social, and Sustainable Bond Issuance 2018-2022
($ billions and IDA/IBRD Sustainable Bonds as % of total Sustainable Bond market)

The Bank's initial Green Bond in 2008 became the blueprint for Sustainability Bonds globally, thus catalyzing a market that has grown sharply over the last 15 years.
We’ve also been innovating the structure of our bonds from our first Catastrophe Bond to recent Outcome-based Bonds.

**CCRIF Cat Bond**
- **2014**: $30m: First IBRD issued Cat Bond providing insurance cover for hurricane, earthquake and tsunami risk for 16 Caribbean countries.

**Pilot Auction Facility**
- **2015**: First puttable notes issued to action winners to for emission reduction credits.

**Mexico Cat Bonds**
- **2015**: $360m: First IBRD Cat Bonds issued for Mexico risk. Included refined payout and trigger structures for earthquake and hurricane risk.

**Pacific Alliance Cat Bonds**
- **2017**: $1.4bn: Largest ever sovereign Cat Bond transaction and first simultaneous cat bond issuance for four countries.

**2018**

**Philippines Cat Bonds**

$225m: First Cat Bond sponsored by an Asian sovereign and first listed on an Asian exchange, providing Philippines with earthquake and hurricane insurance

**Jamaica Cat Bond**

$185m: First Cat Bond independently sponsored by a small island state including an innovative feature resulting in payouts within weeks of events

**Wildlife Conservation Bond**

$150m: First of its kind IBRD outcome bond that combines private capital with a performance-based donor grant to achieve conservation outcomes, boosting South Africa’s efforts to protect black rhinos and support local communities

**Emission Reduction Linked Bond**

$50m: Outcome Bond that makes up-front financing available for a water purifier project in Vietnam by securitising future carbon credit sales revenue
WBG’s new Country Climate & Development Reports (CCDRs) bring together new data and analysis to show how countries can achieve their climate and development goals.

The 49 countries with CCDRs published or underway represent

- **53%** of global emissions
- **65%** of global population
- **30%** of global GDP

Data as of 12 April 2023
Already, CCDRs are identifying financing needs and guiding investments choices around the world.

Lower income countries require more investment as a share of GDP.
We all need to do more – much more – to help countries achieve their climate and development goals.