What does the World Bank Group Climate Change Action Plan mean for IFC?

The private sector and private capital will be critical to support low-carbon development. Here’s how we intend to leverage them to accelerate the transition in Emerging Markets.

2 Powerful Reasons

- Become less vulnerable and stay competitive in a low-carbon world

Align Climate & Development

- Trillions of dollars needed to achieve climate & development goals

New Diagnostics

- Expand analysis of private sector opportunities through the WB’s Country Climate & Development Reports

Align with Paris Agreement Goals (percentage of new investments)

- July 1st, 2023: 86%
- July 1st, 2025: 100%

Prioritize 5 Key Systems representing 90% of GHG emissions and facing significant adaptation needs

- Agriculture, food, water, land
  - Improve productivity, reduce post-harvest losses
- Cities
  - Integrated investment & advisory services
- Energy
  - Support clean energy transitions, new technologies, and grid modernization
- Transport
  - Support investments in energy-efficient infrastructure
- Manufacturing
  - Support proven abatement measures and technologies

Financing for Decarbonization & Resilience

- Market creation & mobilization
  - Create new asset classes for the transition
  - Increase flow of bankable projects
  - Intensify mobilization efforts, including through blended concessional finance

Risk & Resilience

- All IFC investments will be screened for physical climate risk by end FY23

Transparency

- Paris Alignment methodology for financial institutions and funds, together with other MDBs