



Sectoral Perspectives from the World Bank

Climate Change

Wednesday, August 21, 2013

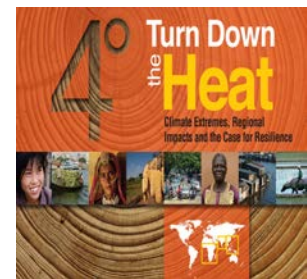


THE WORLD BANK



Turn Down the Heat

- A warmer world will trap millions of people across the developing world in poverty
- Without ambitious climate action we could experience a 2°C world in our lifetime
- Under current levels of warming, significant climate and development impacts are already being felt
- As warming goes past 2°C to 4°C, multiple threats of increasing extreme heat waves, sea level rise, more severe storms, droughts and floods will have severe negative implications especially for the poorest and most vulnerable
- Many of the worst climate impacts could still be avoided by holding warming below 2°C, but the window for action to achieve this is rapidly closing

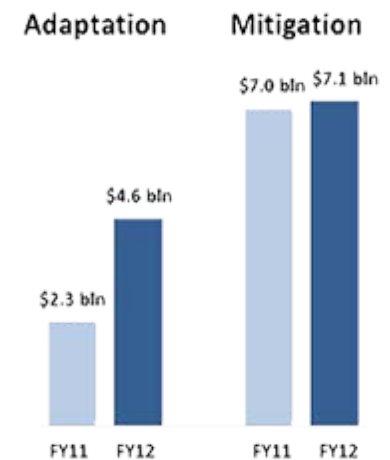




Climate Action at the World Bank

- WB currently working with 130 countries to take action on climate change.
- Action on the ground through investments to increase resilience to climate change, and achieve emissions reductions.
- Helping countries to assess and manage climate risks and provide analytical guidance:
 - Portals such as the Climate Change Knowledge Portal provide cutting edge information, analysis, and tools on climate change.
 - Ongoing development of climate screening tools; development of metrics for GHG accounting, finance tracking .
 - Analytical work and partnerships to deepen the knowledge base on issues such as short-lived climate pollutants (SLCPs).

IBRD/IDA lending supporting climate action





Areas of focus and partnerships

- Across the WB: focus on work on Climate-Smart Agriculture, Renewable Energy, Sustainable Cities, Disaster Risk Management
- Global Environment Facility (GEF)
- Through the International Finance Corporation (IFC), work with the private sector



Innovation and scale-up

Carbon Funds

WB is Trustee of 15 carbon finance initiatives; results-based financing for mitigation; supports more than 150 projects which have reduced 181 million tons of carbon dioxide equivalents in over 50 countries. Partnerships with over 90 companies and governments.

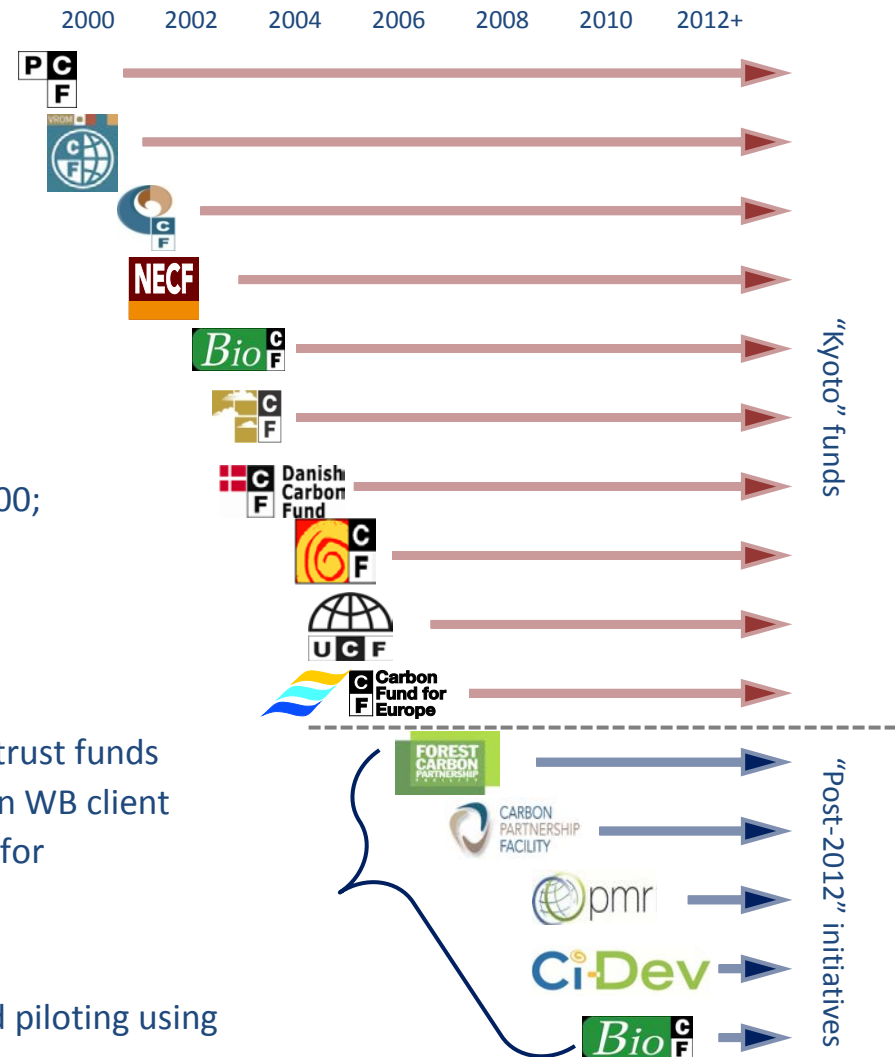
Climate Investment Funds

CIF made up of 4 funding windows to help developing countries pilot low-emissions and climate-resilient development. Funds pledged: \$7.3 billion; 48 countries are piloting transformations in clean technology, sustainable management of forests, renewable energy access, and climate resilient development.











Carbon Funds

- ◆ **History:** The Prototype Carbon Fund was established in 2000 as the world's first carbon fund. Since then, 13 additional carbon funds and facilities have been developed to promote GHG mitigation in developing countries.
- ◆ **Capital Committed:** \$3.3bn of funds committed since 2000; \$1.1bn is committed to post-2012 focused facilities.
- ◆ **Mandate:**
 - “Kyoto” funds: The “Kyoto” funds are pre-2013 focused trust funds that facilitate transactions between project developers in WB client countries and investors in developed countries who pay for “additional” GHG mitigation activity.
 - “Post-2012” initiatives: combine readiness activities and piloting using results-based payments



Carbon Funds - “post-2012” initiatives

Country Context	Initiative	Focus	Resources
 <p>Middle-income developing countries</p>	 	<p>Support mitigation policies and cost-effective tools for GHG reduction</p> <p>Scaling up carbon finance</p>	<p>US\$ 120 million</p> <p>US\$ 153 million</p>
 <p>Low income countries & poorest communities</p>		<p>Support low-income countries to benefit from carbon finance</p>	<p>US\$ 75 million</p>
 <p>Forest countries</p>	 	<p>Financing for sustainable landscapes</p> <p>Piloting purchase of REDD+ credits ; guiding readiness and carbon finance for REDD+</p>	<p>US\$ 70 million</p> <p>US\$ 648 million (Readiness Fund + Carbon Fund)</p>

Carbon Funds – some project examples



NEPAL

Biogas distributed to 60,000 households

— South Asia —



BANGLADESH

Introduced over 1 million solar panels to poor households

— South Asia —



BRAZIL

140,000 MWh created from over 2 million tons of garbage per year

— Latin America —



SENEGAL

Replaced light bulbs with 1.5 million new CFLs

— Africa —



MOLDOVA

Reforested 8,500 hectares of land

— Europe —



KENYA

60,000 farmers improving their land

— Africa —



Climate Investment Funds

Clean Technology Fund

Finance scaled-up demonstration, deployment and transfer of *low carbon technologies*

Investment Plans

- Support country and regional development strategies
- Leverage financial products of Multilateral Development Banks
- Stimulate private sector engagement

\$5.15 billion

Strategic Climate Fund

Targeted programs with dedicated funding to pilot new approaches with potential for scaling up

Pilot Program for Climate Resilience

Mainstream climate resilience into core development planning

Forest Investment Program

Reduce emissions from deforestation and forest degradation

Scaling Up Renewable Energy in Low Income Countries

Create economic opportunities and increase energy access through renewables

\$2.2 billion



PILOT PROGRAM FOR CLIMATE RESILIENCE (PPCR)

PPCR COUNTRIES

BANGLADESH, BOLIVIA, CAMBODIA, MOZAMBIQUE, NEPAL, NIGER, TAJIKISTAN, YEMEN, ZAMBIA, THE CARIBBEAN REGION (DOMINICA, GRENADA, HAITI, JAMAICA, ST. LUCIA, ST. VINCENT AND THE GRENADINES), THE PACIFIC REGION (PAPUA NEW GUINEA, SAMOA, TONGA)

**\$1.3
billion**

PLEGGED TO DATE

26

PROJECTS
APPROVED

= **\$399** = **\$ 512**
MILLION MILLION

PPCR FINANCING

CO-FINANCING EXPECTED



3.5 million
PEOPLE EXPECTED TO BENEFIT

from Bangladesh's project to enhance climate resilience of coastal infrastructure in 12 rural districts, supported by \$30 million from the PPCR



8,000
FARMING FAMILIES
EXPECTED TO BENEFIT

from Mozambique's Baixo Limpopo Irrigation and Climate Resilience Project, supported by \$15.8 million from the PPCR



708,000
PEOPLE EXPECTED
TO BENEFIT

from Niger's project to sustainably manage and control water resources for increased food production in 10 rural districts, supported by \$22 million from the PPCR



PPCR Areas of Intervention and Support

Ecosystems and land use types

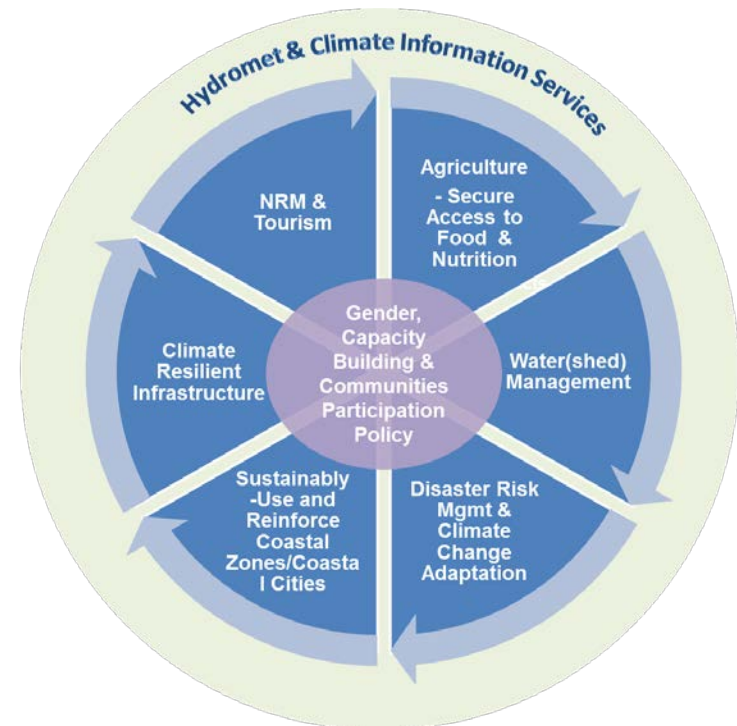
- Arid areas
- Coastal areas
- Mountain areas
- Urban areas



Sectors and thematic areas

Cross-cutting themes

- Policy (mainstreaming climate resilience in development)
- Community resilience
- Private sector development
- Gender
- Disaster risk reduction
- Capacity building and awareness raising





PPCR Pacific Regional Program

- The Pacific Regional Program includes **Samoa, Tonga and Papua New Guinea**. WB works in collaboration with the ADB in the Pacific.
- Overall funding envelope for the Pacific Regional Program is **US\$ 90 million in grant financing** (Samoa: US\$ 30 million; PNG: US\$ 30 million; Tonga: US\$ 20 million; Regional Program: US\$ 10 million)
- **Strategic Programs for Climate Resilience (SPCR)** developed for the 3 countries and the Regional Program; most projects are currently under development.
- **Regional Program:** aims to support more effective integration of CC adaptation and related disaster risk reduction for Pacific island countries to become resilient to climate change and climate-related disasters. Focus on building capacity in the Pacific island countries that do not have PPCR country tracks, and on replicating and scaling-up good practices and lessons learned (knowledge and capacity building).



PPCR in Samoa

- Samoa is highly vulnerable to extreme events – tropical cyclones and drought – being exacerbated by sea-level rise.
- PPCR strategic planning process concluded in 2011 with the development of the CRIP (SPCR), which was developed as a result of a consultative process including CSO, Government, development partners.
- **Activities under CRIP:**
 - **Climate resilient West Coast Road (Apia to Airport) (US\$ 15 million through the WB)**
 - Located in the main economic corridor
 - Raised and stronger road bed, stronger road surface, improved drainage
 - **Climate resilient coastal resources and communities (US\$ 10 million through the WB)**
 - More resilient natural ecosystems, economic and social systems, and infrastructure (ridge-to-reef, ecosystem based adaptation); review and implementation of CIM plans.
 - **Technical Assistance**
 - Help establish a climate change adaptation trust fund
 - Assess and enhance capacities of Samoa's civil society organizations for climate risk management
 - Assess the vulnerability of Samoa's infrastructure to climate change and how this might be reduced

