#COP27IDFC

Press release

IDFC Annual Meeting at COP27, Sharm El Sheikh, Egypt

For its 2022 Green Finance Mapping, IDFC reports a total financing of USD$ 1.2 Trillion of green finance since 2015, with a record high of USD$ 224 Billion in 2021

IDFC position paper on biodiversity to support the post-2020 Global Biodiversity Framework with the potential to mobilize US$ 100 billion by 2027

Renewal of IDFC-GCF strategic partnership for 2022-2025

IDFC Climate Facility new partnership on sustainable urban development with the International Climate Initiative of the German Ministry of Economic Affairs and Climate Action.

Study on PDB's catalytic role in achieving UN SDGs

IDFC, the international group of 27 leading national and regional development banks, gathered and held its annual meeting at COP17 in Sharm El Sheikh.

For the 3rd year, IDFC has organized a pavilion during the COP, hosting about 60 side events from its members and partners, and showing the strong commitment of the Club to implement the Sustainable Development Goals & the Paris Climate Agreement agendas.

IDFC members continue to align with and implement the Paris Climate Agreement

Green Finance Mapping 2022

Since 2011, IDFC has conducted a periodic mapping of member institutions' green finance contributions. In 2021, IDFC members reported a record high of $224 billion in total green finance commitments, a 21% increase from 2020. Cumulatively, green finance commitments by IDFC members surpassed $1.2 trillion since the Paris Agreement was signed in 2015. This is the result of IDFC members' unique ability to deliver green finance at scale. Mitigation finance reached the highest level to date ($186.6 billion), increasing by 27% over 2020 and returning to a level not seen since 2017. Adaptation finance ($20.9 billion) decreased 24%, following a record high in 2020 ($27.5 billion). However, in 2021, members reiterated a strong commitment to increase their adaptation finance in

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the IDFC State of Ambition (November 2021)[1]. IDFC also disclosed a progress report on financing adaptation investments, including through the support of the GCF, which highlights the imperatives for adaptation based on the most recent climate science and the current gap in global finance for adaptation. Overall, 13 institutions increased their green commitments in 2021, returning to, or even surpassing, pre-pandemic levels.

Key findings:

- Green finance: $224 billion in 2021 (+21% since 2020). Over $1.2 trillion total green finance since 2015 (on track for the 2019- 2025 commitment taken in Glasgow: $1.3 trillion)
- Second year on Biodiversity Finance: $18 billion (+31%)
- 20% of IDFC members' total commitments to climate finance since 2015
- Quality of the reports has improved (Common Principles on mitigation adopted, more detailed list of projects)

Click here to read the GFM full report

Click here to read the Adaptation report

IDFC-GCF strategic partnership

IDFC and the GCF signed at COP27 the extension of their partnership (renewal for 2022-2025). This partnership is focused on 3 main areas: i) Sharing knowledge for climate finance and jointly promote the mainstreaming of climate considerations throughout the financial community, ii) Facilitate the access to GCF resources with co-financing from IDFC members, iii) Joint advocacy in international fora in climate finance.
The GCF has accredited 35 Public Development Banks (PDBs), 15 of which are IDFC members, making the IDFC the largest group of financial institutions collaborating with the GCF, and key partners in achieving mutual climate finance goals. To date (after the board B34), IDFC members have 28 approved Funding Proposals with USD 2.2 billion committed from GCF and a total project value of USD 7.5 billion.

IDFC and Green Climate Fund extension of partnership GCF - IDFC

IDFC Climate Facility

The IDFC Climate Facility (CF) allowed further cooperation on climate issues towards a structured and high-quality work on operational and strategic aspects of climate finance. It developed practical and basic tools needed for enhancing capacity of members in engaging in climate finance and organize capacity building activities to facilitate their internal mainstreaming (e.g. for Greenhouse Gas accounting, climate strategy and climate risk assessment, nature based solutions for adaptation, etc.).

A new financing for IDFC Climate Facility on sustainable urban development

Cities generate around 70% of the global greenhouse gas emissions and face various challenges for developing and funding climate-smart projects. National development banks (NDBs) are well positioned to support those projects, but they face barriers in supporting the urban sector, among which the limited capacity of Cities to develop feasibility studies and projects pipe-line coupled with the lack of favorable regulatory and institutional frameworks which limit the cities financial autonomy and planning. The IDFC's Urban Climate Action Programme, supported by International Climate Initiative (IKI) of the German Ministry of Economic Affairs and Climate Action, will address these shortcomings by developing strategic urban climate financing pipelines for cities supported by

[1] idfc-state-of-ambition-2021-final.pdf

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appropriate financial products, building capacity within NDBs and cities, working with regulators on improving framework conditions for urban climate finance by NDBs and mobilizing private sector.

International Climate Initiative (IKI): A new financing for IDFC Climate Facility on sustainable urban development - IDFC

IDFC strengthens its biodiversity ambition through a pioneer position paper towards COP15

In 2021, IDFC members reported $18 billion of investments in biodiversity, 31% higher than in 2020.

IDFC has been accredited as an observer member to COP15. IDFC will promote at this occasion its updated common position paper on biodiversity to support the ambition of the post-2020 Global Biodiversity Framework. In this regard, IDFC acknowledged its potential to mobilize more than $100 billion of biodiversity finance by 2027. This position is the first of its kind in the financial community in terms of setting a financial goal within a specific timeline.

In 2022, IDFC also published a toolbox on integrating biodiversity into strategies and operations of PDBs, with the objective to collect, distribute and raise awareness for methods that help financial institutions and their clients integrate biodiversity concerns into their investment decisions, projects and activities.

Click here to read the IDFC position paper

Click here for the IDFC biodiversity toolbox

IDFC members mobilized to maximize their contributions to the UN SDGs

IDFC launched in July 2021 a dedicated work stream on SDG alignment with Natixis CIB (Green and Sustainable Hub). The objective was to provide IDFC members with a conceptual framework as well as guidance, tools and processes to help them operationalize the SDGs in their practices.

This work will help IDFC members to move forward on SDG alignment and to emphasize the catalytic role of PDBs at the UN SDG summit in 2023, which will mark the mid-point in the implementation of the 2030 Agenda and the Sustainable Development Goals.

IDFC is also willing to pursue the strategic dialogue with other partners (Multilateral Development Banks, private sector) towards a shared understanding on what it means to align the financial flows with the SDGs.

Click here to read the SDG Alignment study executive summary

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About IDFC

The International Development Finance Club (IDFC), created in 2011, is the leading group of 27 national and regional development banks from all over the world, a majority active in emerging markets. IDFC is the largest provider of public development and climate finance globally, with US$ 4 trillion in combined assets and annual commitments above US$800 billion, including US$ 170 billion per year of climate finance. IDFC members have the unique function of supporting domestic policies while transferring international priorities into their own constituencies. IDFC members are aligned with and work together to implement the Sustainable Development Goals (SDGs) and the Paris Climate Agreement agendas. Through IDFC, and in close partnership with other development bank networks, members join forces as a platform to promote and leverage sustainable development investment worldwide.

IDFC is chaired since October 2017 by the Agence Française de Développement (French Development Agency), where the IDFC Secretariat is hosted in Paris, France.

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