IDFC State of ambition

Recalling its commitment taken at the One Planet Summit in December 2017, at the UNSG Climate Action Summit in September 2019, and at the first edition of the Finance in Common Summit in November 2020;

Informed by the Intergovernmental Panel on Climate Change Assessments;

Recognizing the importance of long-term strategies and ambitious NDCs to keep 1.5°C within reach;

Recognizing that the climate change can deepen inequality between and within countries and specially impacting the most vulnerable,

IDFC members:

1. Will work to promote and finance investment supporting their countries of interventions reach carbon neutrality as soon as possible, taking into consideration the IPCC's very low GHG emission scenario (SSP1 – 1.9) and national and regional circumstances and supporting a just transition to a low carbon economy;
2. are proud to report total financing of USD 1 trillion of green finance between 2015 and 2020 meeting the target set for the period 2019-2025 at the UN Climate Action Summit. IDFC members have the potential to mobilize USD 1.3 trillion between 2019 and 2025 including a significant increase for adaptation and biodiversity;
3. Will continue supporting the energy transition toward a decarbonized economy, especially by promoting, financing and enabling deep sectorial transformations and decarbonisation in all sectors. In particular, continue and strive to increase our support to clean power generation and energy efficiency and other clean technologies, which amount to USD 34 Bn in 2020 as reported for in IDFC Green and Climate Finance Mapping;
4. Commit to end the provision of international public finance for new unabated coal power generation abroad by the end of 2021;
5. Commit to mainstream adaptation and resilience considerations into strategies and operations, take into account physical and transitional climate risks within its credit risks procedures. We will support ex-ante disaster risk reduction as promoted in the Sendai Framework;
6. We will promote ecosystem-based adaptation and nature-based solutions including through forest conservation and reforestation contributing to both mitigation and adaptation effort;
7. The Club will therefore continue to support adaptation efforts within their countries of activities, which amount to USD 25 bn in 2020, i.e a 28% increase compared to 2019 levels;
8. Recognizing the devastating impacts from climate change, especially for vulnerable populations facing loss and damages, the Club will strengthen support to integrated climate disaster risk management, including risk analysis and vulnerability studies, investments and activities to reduce ex-ante risk, preparedness, and financial management of residual risk using insurance and guarantees against climate disaster.


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