IDFC: Combatting climate change is at the top of our agenda

At COP30, IDFC members IDFC members reaffirm their determination to steadily increase green finance

The International Development Finance Club (IDFC) is a leading group of 27 national and regional Public Development Banks (PDBs) from all over the world, representing the largest provider of public development and climate finance globally, with USD 4 trillion in combined assets and annual commitments exceeding USD800 billion, including an average of USD 185 billion per year of climate finance.

IDFC members also bring a unique capacity to operate at the national, regional and global levels, leveraging their proximity to governments and local stakeholders to translate global commitments into concrete action on the ground.

Combatting climate change and protecting the environment is at the top of our agenda. IDFC has a track record of USD1.9 trillion in total green finance commitments since 2015. We will continue elevating our collective efforts in the coming years. At COP30, IDFC members reaffirm their determination to steadily increase green finance and deepen their contribution to ambitious, just and country-led climate and development transitions. This strengthened commitment reflects our broader mission to align public development finance with the goals of the Paris Agreement and reinforces our role as a leading force in sustainable development and climate investment.

To meet this ambitious target, IDFC members will:

- provide substantial and sustained direct climate finance for mitigation and adaptation efforts, particularly in emerging and developing economies where support is most needed;
- develop and deploy innovative financial instruments and blended finance structures that enhance the bankability of climate projects and catalyse systemic change;
- mobilise private-sector capital at scale, for financing projects with high impact on climate mitigation and sustainable development, by expanding blended finance and operationalising tools to de-risk investment and unlock institutional capital for sustainable development, such as the Global Guarantee Platform.

Building on their collective strengths, IDFC members will:

1. accelerate the energy transition, in line with the Dubai consensus, by supporting the progressive transition away from fossil fuels and in doing so decreasing the international public finance for fossil fuels in energy systems, and by supporting tripling the installed capacity of renewable sources and doubling the energy efficiency rate by 2030;
2. support, as national and regional development banks, government-led country platforms and other nationally owned investment plans considering major milestones such as the Global Financing Playbook. By doing so, they will help strengthen policy and project pipelines, de-risk investment, and scale financing aligned with national transition and development priorities;
3. actively support article 6 and Voluntary Carbon Markets for high-integrity carbon credits and markets aligned with Nationally Determined Contributions (NDCs) fostering robust projects pipelines with demonstrated social and environmental co-benefits through technical assistance, capacity building and financial support, and directly benefiting local communities;
4. remain active members of the Making Finance Work for Climate coalition and actively support the elaboration of a joint characterisation methodology for transformational finance and the deployment of enabling environments for the progress of transition finance, contributing to the Baku to Belem roadmap and Sharm-el-Sheikh dialogue. IDFC will also advocate for harmonisation of methodologies across institutions to strengthen comparability and collective impact;
5. recognizing the devastating impacts from climate change, especially for vulnerable populations, strengthen the support to: 1. the mainstreaming of resilience and adaptation in all financings according to the locally-led adaptation principles; 2. the development of integrated climate disaster risk management systems, including risk analysis and vulnerability studies, preparedness, risks reduction activities, and improve financial management of residual risk using insurance and guarantees against climate disaster ; 3. the implementation of loss and damage activities and measures. In this regard, IDFC stands ready to cooperate with global funds and initiatives dedicated to resilience and loss and damage, including through co-financing, technical assistance, and knowledge-sharing;
6. induce that a significant share of these resources is channelled towards highly climate-vulnerable regions, where resilience and adaptation financing are urgently needed;
7. pursue delivering climate–nature co-benefits, in support of the IDFC-announced potential to mobilise USD 100 billion for biodiversity financing by 2027. The aim is that at least 10% of IDFC green finance contributes to measurable biodiversity outcomes by 2030.

We invite other groups and coalitions of financial stakeholders (public, private, philanthropic, regulators and policymakers, …) to join us in facilitating the convergence of views from financial practitioners and promoting a whole-of-finance approach regarding the future of financial action for climate. We also stand ready to continue providing concrete inputs and actionable proposals to the UNFCCC negotiations on the above-mentioned elements. At the same time, we will continue fostering articulated spaces for dialogue and collaboration among financial institutions, governments and stakeholders, ensuring that resources are effectively catalysed to maximise their impact on climate and sustainable development. Together, we will drive change.