



**On the path towards the Finance in Common Summit:**



**The International Development Finance Club and the Green Climate Fund join forces to support Public Development Banks in financing the green transition**

***Launch of a joint IDFC – GCF Publication on Public Development Banks’ potential for a green recovery & release of the 2020 IDFC Green Finance Mapping Report Figures***

**Songdo, South Korea, Paris, France 6<sup>th</sup> November 2020 – The International Development Finance Club (IDFC), the international network of leading national and regional development banks, and the Green Climate Fund (GCF), the world’s largest dedicated financier of climate action in developing countries, have today launched a joint publication examining how Public Development Banks (PDBs) can unlock their potential for a green, low carbon and resilient future.**

Speaking from Songdo during the virtual press conference, Yannick Glemarec, GCF Executive Director, stated:

*“While climate finance has grown steadily over the past 10 years, the current pace is too slow to achieve the Paris Agreement goals. GCF’s partnership with 30 Public Development Banks, including the 13 members of IDFC that are GCF accredited project partners, can play a critical role in increasing climate finance for developing countries. The paper we are launching today sets out the vision of IDFC and GCF for collaboration to unlock the potential of Public Development Banks to finance low-carbon, climate-resilient development pathways. It highlights some of the transformative initiatives that can be co-financed by GCF and IDFC members, as well as the challenges for such synergies to materialize. To address some of these challenges, GCF will contribute to the IDFC Climate Facility to support IDFC members enhance their capacities to scale up climate action. This will come from the GCF Readiness fund allocations of Panama, Peru, Brazil, Morocco and South Africa.*

Rémy Rioux, IDFC Chairperson and CEO of the Agence Française de Développement (AFD), joining from Paris, underlined the importance of PDBs in supporting a green post-COVID 19 recovery:

*« There are about 450 Public Development Banks around the world, operating at sub-national, national, regional, international and multilateral levels. They represent a staggering 10 percent of the total amount invested in the world every year by all public and private sources combined. With their public mandates and counter-cyclical roles, combined with deep roots in local economic and social fabrics, Public Development Banks are more relevant than ever to contribute to the reconciliation of economic recovery and sustainable development. They represent a “visible hand” that can help mobilize and direct the finance we need for the future we want. . In this regard, I am convinced that the partnership between the Green Climate Fund (GCF)*



*and the International Development Finance Club – which gathers the largest 26 PDBs – can contribute to support PDBs in contributing to supporting a green recovery as well as building long-term Paris Agreement-aligned development pathways. This alliance paves the ways to the upcoming Finance in Common Summit (FICS), gathering for the first time all the PDBs of the world.»*

**During the press conference, the IDFC also releases the 2020 edition of the Green Finance Mapping Report showcasing green finance commitments of US\$ 197 billion in 2019.**

In the current pandemic we are facing, PDBs are repositioning their role in driving climate ambition and building momentum in the lead up to COP 26. The IDFC, a group of 26 national and regional PDBs worldwide committed to aligning their activities with the Paris agreement, and GCF, set up by the UN to help developing countries combat climate change, have formed a strategic alliance to help PDBs finance a green and climate resilient transition.

Paving the way to the upcoming Finance in Common Summit (FICS), gathering for the first time all the PDBs of the world, Rémy Rioux, the IDFC Chairperson and CEO of the Agence Française de Développement (AFD), and Yannick Glemarec, GCF Executive Director, launch the joint IDFC-GCF report titled **“A strategic alliance to realize the full potential of public development banks in financing the green transition”**. This publication highlights the synergies created by this partnership for sound climate finance, successful projects and examples of capacity development mechanisms.

The strategic partnership between the two institutions is reflected in the makeup of organisations accredited by GCF to receive funds from its climate finance portfolio to meet developing country ambition to reduce greenhouse gas emissions and enhance climate resilience. Among the 30 PDBs accredited by GCF, 13 are IDFC members. This makes the Club the largest group of financial institutions collaborating with GCF, a synergy which unlocks new streams of climate finance across the planet. In addition to promoting sound governance, providing co-finance and risk sharing as well as deepening local capital markets, GCF also supports the IDFC with capacity building through the [IDFC Climate Facility](#).

Moderated by Audrey Rojkoff, the FICS Secretary General, the press conference sheds light on the role and active participation of PDBs in climate finance, while also **releasing the 2020 IDFC Green Finance Mapping Report Key findings**. Elaborated in collaboration with the [Climate Policy Initiative](#) (CPI), this edition of the IDFC flagship report confirms the leading role of the Club in supporting climate finance, with **green finance commitments of US\$ 197 billion in 2019, including US\$ 187 billion for climate and 3 times more financing for adaptation finance since 2015**.

#### **About IDFC**

The International Development Finance Club (IDFC), created in 2011, is the leading group of 26 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\$ 600 billion, including US\$ 150 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. To learn more about IDFC please visit [our website](#) or follow us on [Twitter](#) & [Linked in](#)

### **About GCF**

The Green Climate Fund (GCF) is the world's largest dedicated climate fund. GCF's mandate is to foster a paradigm shift towards low emission, climate resilient development pathways in developing countries. GCF has a portfolio of over US\$ 6 billion in projects and programmes across more than 100 countries. It also has a readiness support programme to build capacity and help countries develop long-term plans to fight climate change. GCF is an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and serves the 2015 Paris Agreement, supporting the goal of keeping average global temperature rise well below 2 degrees celsius. Thirteens of the 30 Public Development Banks accredited with GCF to carry out climate finance projects are IDFC members.

### **About the Finance in Common Summit (FICS)**

The first-ever global meeting of Public Development Banks – The Finance in Common Summit - focuses on how Public Development Banks can influence the global financial system to better protect our planet and societies. The Summit takes place on the sidelines of and in partnership with the Paris Peace Forum, and contributes to the UNSG "SDG Decade of Action", just ahead of the G20 Summit in Riyadh (21-22 November), and the 5th anniversary of the Paris Agreement and the COP21.

#### **Press contacts:**

**For IDFC :** Sabrina Hadjadj Aoul – [hadjadjs@afd.fr](mailto:hadjadjs@afd.fr) - +33 6 85 97 88 64

**For GCF :** Simon Wilson – [swilson@gcfund.org](mailto:swilson@gcfund.org) - +82 32 458 6338

**For FICS :** Richard Brooks - [press@financeincommon.org](mailto:press@financeincommon.org) - +44 7740858477