



JUNE 2024



What is IDFC?

Created in 2011, it is a network of 26 **Public Development Banks** from all over the world, aiming to implement the **SDGs**, the **Paris Agreement** and the **Biodiversity Framework**.

We speak with a common voice to leverage a greater impact in major **international debates** to **mobilize finance** and **expertise** for **sustainable development** worldwide.

26 MEMBERS FROM ALL OVER THE WORLD

Europe



Africa



Asia & Middle East



Central, South America and Caribbean Region



IDFC IN NUMBERS

26 effective members

288 USD Billion \$ in Green Finance in 2022

1.5 Trillion Total Green Finance Since 2015



IDFC'S GOALS

Fostering and increasing cooperation between members and partners within the financial ecosystem

Knowledge sharing and capacity building

Developing joint business opportunities

IDFC's focuses

Strengthen the **IDFC Facility** | **USD 23 million** to broaden support to Biodiversity and SDG

Develop a mechanism to **lower** the **cost of capital** to finance sustainable projects

Highlight the role of the Public Development Banks in the **New Global Financial Architecture**

Continue with the Club's **working groups'** initiatives

- Climate, Biodiversity, Gender equality, SDGs alignment, Cooperation for development

Presence in the **international development agenda**

- G20, COP16, COP29, Financing for Development 2025

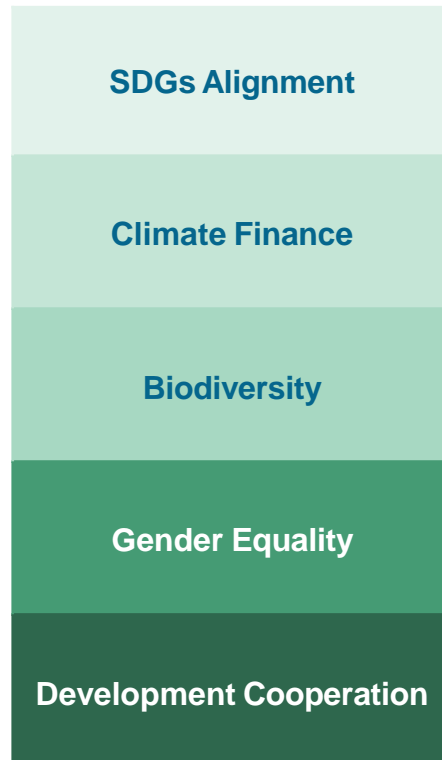


IDFC'S WORK

All year long the Club is working on:



Focusing on:



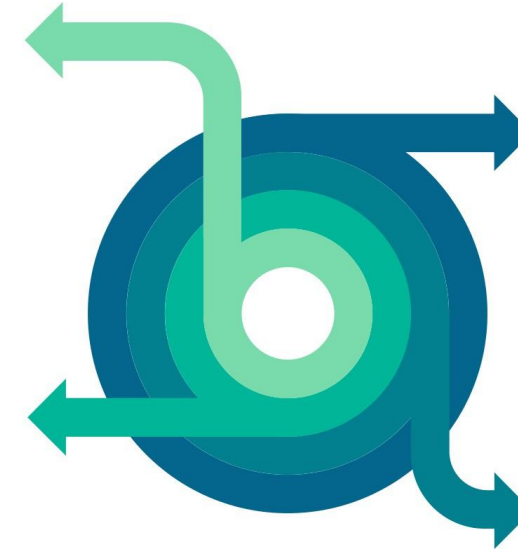
Through:

Tools

- **IDFC Facility**
- Climate Toolbox, GHG Toolbox & Biodiversity toolbox
- Integration trackers - SDGs Alignment: design

Position papers

- Position paper on the **New Collective, quantified goal** on Climate Finance



Partnerships

- **Nuca Program**
 - MCI
 - GCF

Reports & studies

- **Green Finance Mapping**
- Gender Finance Report
 - C4D Report

POTENTIAL OPPORTUNITIES AND RISKS FOR MAKING FINANCIAL FLOWS CONSISTENT WITH CLIMATE RESILIENT DEVELOPMENT PATHWAY?

❖ Financial Plans

- With a financing plan at hand, governments can give a clear signal to the private sector and international funders as to where public efforts should be supported and/or supplemented. Conversely, when guided by a financing plan aligned with climate targets, domestic and international finance can ensure the needed impact to achieve climate and development objectives.

❖ Public Development Banks

- PDB's must lead the way in translating strategies and financing plans into tangible action. Given the scarcity of public funds, PDBs are expected 'to do more' and to 'do better' with those they channel. PDBs such as members of the IDFC are doing must play a unique role in shifting entire systems, sectors and value chains towards a low-emissions and climate-resilient economy.
- PDB's engagement and support must be tailored to specific contexts, addressing countries' needs and financial intermediaries' specificities, while ensuring accountability similarly to what is promoted by the Finance in Common initiative.

UNTO THE ARTICLE 2.1(C)

❖ We define three key opportunities from Article 2.1C to maximize opportunities

- first, by creating an overall global mitigation benefit through the design of instruments under Article 2.1;
- second, by designing cooperation for non-market approaches taking cognisance of its ambition raising role;
- third, and most fundamentally, by driving mitigation in inaccessible abatement options.



Nonetheless, at the IDFC, on top of coordinating our practices in terms of alignment of the activities we finance with the objectives of the Paris agreement, and following on the publication of a position paper on NCQG prior to COP 28 which was submitted to the NCQG technical dialogue, we are currently working on the next steps gathering more stakeholders of the financial systems under a whole of system approach in the objective to advocate for the mainstreaming of 2.1c and the pursuit of optimization of the efficiency of the effect provided by the financing which was made consistent with 2.1c. This shall be published and disseminated in fall.



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THANK YOU!