

# CLIMATE INVESTMENT FUNDS

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Joint Meeting of the CTF and SCF Trust Fund Committees  
Washington, D.C.  
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Agenda Item 12

## **ADDITIONALITY OF CIF TO EXISTING MDB PORTFOLIOS**

**SUBMISSION BY CIF MDBS**

## Joint MDB Work on Climate Change Finance Tracking

APRIL 2012

1. It has become increasingly clear that in order for international efforts aimed at mobilizing financial resources for climate change mitigation and adaptation to be successful, there is a need to have sound mitigation and adaptation finance tracking criteria in place. Methodologies and tracking criteria have been developed by a number of institutions, but there is a need to advance towards harmonization.
2. In order to support progress in this direction, in early 2011, the Vice Presidents of the Multilateral Development Banks (MDBs) – the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Investment Bank (EIB), the Inter-American Development Bank (IDB), the European Bank for Reconstruction and Development (EBRD) and the World Bank Group (which includes the International Bank for Reconstruction and Development, IBRD, and the International Finance Corporation, IFC) – agreed to undertake joint efforts leading towards developing common approaches for tracking climate change mitigation and adaptation finance, with the IDB coordinating efforts on mitigation and the AfDB coordinating efforts on adaptation.
3. These approaches respond to the particular context of the activities that the MDBs carry out in developing and emerging economies. They are thus built on the premise that activities meant to address climate change (mitigation or adaptation) and to promote development are closely interlinked.
4. In **mitigation**, the MDBs have produced a joint approach, which includes a positive list of activities which lead (according to the available evidence) to greenhouse gas emission reductions as compared to other available options (regardless of whether the decision-maker makes their decision based on the development or the climate benefits of the activity). The MDBs are now preparing a joint report on climate mitigation finance based on this approach.
5. In the **adaptation** domain, where more uncertainties remain, the MDBs have initiated a discussion process to identify the main issues at stake, and expect to produce a similar common approach and adaptation finance report by the end of 2012.