



#WorldBankGoRE #BigShift Fact Sheet

‘We must regain the sense of urgency we all felt on the eve of COP21. Inaction means we will not meet our targets set in Paris, and the global temperature will soar above 2 degrees Celsius. That would spell disaster for us, for our children, and for the planet.’

Jim Yong Kim, President, World Bank Group, at the 2016 Climate Action Summit⁵⁴

World Bank Group

The World Bank is a provider of financial and technical assistance to developing countries around the globe. It is made up of the International Bank for Reconstruction and Development (IBRD), and the International Development Association (IDA), a body that gives interest-free loans to governments of developing countries. The World Bank Group includes three other institutions.

The World Bank and Climate Change

The World Bank says that climate change is disproportionately affecting the poorest people on the planet and it states that its goal is to end extreme poverty at the global level within a generation. However, it still supports projects that contribute further to the release of greenhouse gases into the atmosphere, accelerating global warming and worsening climate change.

The World Bank Group’s investment in Fossil Fuels

The World Bank Group has consistently invested a significant portion of its energy investments in fossil fuels. Between 2011 and 2015 it invested a staggering \$12.9 billion in oil, gas and coal. This compares to \$10.4 billion in clean energy projects over the same period.

Oil Change International estimates that the World Bank Group invested more than \$313 million in fossil fuel exploration in 2015 and a total of \$1.7 billion between 2011 and 2015.

In short, the World Bank has been contributing to further financing of coal-fired power stations locking countries in to high carbon pathways. #WorldBankGoRE #BigShift challenges this continued funding of the fossil fuels that are causing damaging climate change, by demanding urgent change in the World Bank policies on energy investment, and a Big Shift towards investing in renewables.

#WorldBankGoRE

The World Bank, through its investment choices, must help ensure we create a future where everyone has access to affordable decentralised renewable energy so that there is no longer a reliance on fossil fuels for energy. To do this, it must phase out all investment in fossil fuels and urgently increase its focus on renewable energy and energy access.

The World Bank needs to align its energy strategy with its Climate Change Action Plan, including much greater transparency on the carbon footprint of its funding, and about what the impact of their investments in energy are having on the lives of ordinary people. The Climate Change Action Plan must align its investments and lending with the Paris Agreement's 1.5°C temperature rise limit.

During the Paris Agreement COP21, the World Bank Group committed to Five Principles of Mainstreaming Climate into their operations, including helping countries develop green project pipelines, adequately pricing carbon and phasing out fossil fuel subsidies, and restricting lending to fossil fuel projects. This need to be implemented.

Every year several countries undergo a revision of their country strategies. This is an opportunity to start the process of getting financial flows to align with the Paris Agreement and Agenda 2030.

Public finance also acts as a reliable signal to the private sector (which holds the trillions of dollars we want to unlock) and reduces risk for investors

Energy access to tackle energy poverty

The World Bank needs to step up its support for energy access initiatives to get power and clean fuel to the energy poor - though this remains a very small part of their overall energy portfolio, but it will be essential to increase this proportion of spending to reach over one billion people still living without access to modern energy.

#WorldBankGoRE #Big Shift identifies that the World Bank needs to:

1. Phase out support for fossil fuels by 2020
2. Provide public finance to help meet the 1.5C limit and Zero Carbon by 2050
3. Ensure better data on all their energy investments is available; make the carbon emissions of their funding portfolios publicly available; and set clear targets to reduce the carbon footprint of their investments and their exposure to climate risk.
4. Support developing countries to achieve their greenhouse gas reduction commitments, by phasing out financing for fossil fuels, and instead prioritising financial support for delivery of the low carbon elements of Nationally Determined Contributions.
5. Support developing countries to achieve universal access to energy, giving priority to promoting greater private and public investment in decentralised and off-grid renewable energy projects.
6. Development Policy Finance must be used to incentivise renewables not fossil fuels.

Season of Creation Advocacy

During the Season of Creation, we will be encouraging individuals to email the President of the World Bank, Jim Yong Kim, and ask him to stop funding dirty energy once and for all. You will also be able to email your regional World Bank Executive Director to double your impact.