

## Remarks by World Bank Group President David Malpass to the G20 Leaders' Summit – Session II: Climate Change and Environment

*October 31, 2021*

Thank you, Chair.

Tackling climate change will require a huge pipeline of impactful projects and a coordinated effort to fund them and implement them over a period of years without punishing the poor.

The World Bank Group has major engagements underway to develop this project pipeline, including with several countries around this table.

To be successful, we need to integrate climate and development; identify and implement priority projects; and combine large new sources and structures of financing. Over half of our climate financing goes to adaptation.

These are complex goals from both the financing and project side. It will need to build on solid diagnostics, new uses of technology, and ambitious prioritization.

There will need to be the combined efforts of many partners.

Governments will need to change incentives to shift their economies and societies. They need to create a business and regulatory environment that is consistent with their Nationally Determined Contributions (NDCs). We're working around the developing world on this and on successful adaptation.

As we work to integrate climate and development, universal electricity access is a high priority, supporting education, health care, agriculture, finance and social connectivity.

Private sector investment will be vital in increasing the energy supply and base load electricity capacity in a much cleaner way. There needs to be a complete break from past energy practices.

Private foundations and contributions from private corporations, including in exchange for high quality carbon credits for example, can provide a major source of resources for climate change activities; and the more advanced countries will need to increase their bilateral support and engagement.

High impact projects need to be funded by blending these different pools of capital – commercial, concessional, and grants – to the appropriate component of each project undertaken. Ultra-long maturities will be needed.

Our Climate Change Action Plan commits the World Bank Group to a lead role in these processes – by bringing together all parties, helping design the transitions, drawing in

private sector investment to the bankable portions of the projects, and providing key portions of the funding, including IDA's grant and zero-rate financing for the poorest countries.

The World Bank Group provides fully a quarter of all the public climate financing for developing countries, over half the multilateral financing, and two-thirds of the adaptation financing. In the next five years, we will provide \$125 billion in climate financing, and we are committed to Paris alignment.

I look forward to continuing to work with all of you on these complex undertakings.

Thanks again, Chair.