



Country Platforms for Climate Action

MDB statement of common understanding and way forward¹

1. Context

In the context of evolving work of the MDBs to further enhance their effectiveness and impact and following the [MDB Heads' Viewpoint Note: MDBs Working as a System for Impact and Scale](#), published in April 2024, this note highlights the potential role of MDBs in supporting the development and implementation of country platforms for climate action.

Country platforms can serve as a powerful mechanism to support the development and implementation of a country's strategies and Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs) and mobilise finance for climate action, by having a country-led coordinated process and partnership of bringing together key stakeholders to build a common understanding and concerted way forward. This note, therefore, considers existing ideas and MDB operational experience on country platforms and discusses next steps for climate action, building on the extensive experience of MDBs in country engagement, climate policy support and climate finance delivery and scaling mobilisation of finance, particularly private capital.

2. Definition

The common understanding of country-led platforms for climate action among IFIs draws on the "[G20 Reference Framework for Effective Country Platforms](#)," adopted under the G20 Presidency in 2020. In this respect, a country platform should be country-driven, based on a shared strategic vision under common principles and tailored to country context.

Country platforms are not a new concept and have been adopted by different countries on a wide range of issues, beyond climate. Some recent experiences seem to indicate that country platforms could act as effective delivery mechanisms and promote solid partnership to coordinate and scale climate action including:

- Shared upstream analytics and diagnostics underpinning the preparation of baselines, modelling, prioritization, such as the World Bank Group's Country Climate and Development Reports (CCDRs), as well as national, sectoral, and subnational Paris-aligned transition pathway assessments.
- Stakeholder engagement and capacity building to support coordination across broad range of actors, including supporting aligning climate and development priorities and policy coherence, as well as project developers, technology providers, financiers, and investors.

¹ This note has been prepared by the MDB Climate Action Group, which includes the AfDB, ADB, AIIB, CEB, EBRD, EIB, IDB, IsDB, NDB and World Bank Group

- Policy analysis and regulatory reform formulation, if and as requested by client countries, supporting targeted sector investment programs and policy roadblocks.
- Investment planning, including the technical sequencing of projects over the planning period and pipeline development for project identification.
- Financing plans, identifying potential public/private, cross-border/domestic, and market/concessional funding sources.
- Project preparation of bankable transactions that meet the due diligence requirements of financing sources.
- Finance mobilization from both private and public sources in a structured and innovative manner.
- Implementation support, including in-country capacity-building.
- Results and impact monitoring and reporting, evaluation and learning.

This comprehensive tailored approach of country platforms on climate action, which involves integrated and programmatic implementation of capacity-building activities, policies, cost optimal and effective investments, and along a specified timeframe, is essential for facilitating deep transformation across and in specific key economic sectors. This transformation, which includes a range of interrelated energy transition, climate mitigation, adaptation, nature and development priorities specific to each individual country and region, must be addressed in an integrated manner for a successful transition to a low-carbon, resilient economy, as reflected in the [UAE Consensus](#), the joint MDB Viewpoint Note and various G20 papers.²

In this context, country-led platforms are increasingly viewed as an effective mechanism to respond to the needs identified in the 2023 [Global Stocktake](#) of the United Nations Framework Convention on Climate Change (UNFCCC) and the imperative of a step change in support to the implementation of third round of Nationally Determined Contributions (NDCs) for the period 2025-2035. According to the independent High-Level Expert Group on Climate Finance around USD2.4 trillion is needed annually by 2030 in emerging markets and developing countries (excluding China), including an estimated USD 1 trillion in external finance, highlighting the urgency for finance mobilisation.

In July 2024, the G20 Task Force for the Global Mobilization against Climate Change (TF-Clima) discussed a comprehensive paper on country climate and development investment platforms. It emphasizes the critical importance of country ownership and recommends country-based approaches based on strong analytics and investment programs anchored in policy reforms in a range of sectors specific to countries. The review of the climate funds for the G20 Sustainable Finance Working Group focused on how these funds can support country platforms, while the G20 International Financial Architecture Working Group (IFA WG) discussed the role of the MDBs in country platforms.

3. Recent MDB experience on Country Platforms for climate action

Several operational models for country platforms have been developed in recent years, including the Just Energy Transition Partnership (JETP) approach led by the International Partners Group (IPG)³. The JETP approach focuses on the energy transition and involves high level political engagement with fossil-fuel dependent partner countries (Indonesia, Senegal, South Africa and Vietnam) by IPG members, with MDBs and other finance and development partners taking lead roles in help develop

² Adaptation, for example, is often critical for climate vulnerable developing countries and nature-based solutions need to be developed, given the interlinkages and co-benefits between climate action and environmental sustainability.

³ includes G7 countries and Denmark, Norway and the European Union.

decarbonisation policy and investment. In the past months, MDBs have been contributing to the discussion of a refined JETP approach.

Reflecting the broad spectrum of country needs, the Country platform approach considers other areas of climate action beyond energy transition. In addition to extensive and ongoing support to the JETPs, MDBs have joined the development and implementation of several country platforms for climate action, initiated by Egypt, North Macedonia and Bangladesh. These platforms build directly on existing MDB relationships with client countries, involve the international donor, development community and other players and have a wide range of sectoral focus areas. In the case of Egypt, for example, it focuses on the nexus of food, water and energy, identified by the country as part of its climate and development priority areas. The Egyptian country platform thereby contributes to climate change mitigation, adaptation and resilience, just transition and wider environmental objectives across the energy, transport, water and agriculture sectors.

4. Key principles of MDB support

Based on experience with country platforms to date, the MDBs have identified four key principles for the successful development and delivery of country platforms for climate action

- I. **Political commitment and country ownership.** It is important that country platforms are initiated by countries. Further to this the country ownership and leadership drives a country's climate (and further sustainability) ambition, as demonstrated in country in ambitious and measurable targets. Platforms must be grounded in solid political commitment to achieve Paris-aligned sustainable development, underpinned with an enabling environment, institutional and governance frameworks. Country-ownership also engenders a whole-of-economy climate commitment and supporting strategies and plans (including LTSs, NDCs and NAPs), contributing to national development priorities and building on broad stakeholder engagement and robust analysis.
- II. **Investment needs.** To address the investment needs to achieve such ambition, country platforms need to accelerate the identification of specific investment needs and programmes. This would generate a pool of aggregate climate investments for the country, including identified public, private and concessional finance needs.
- III. **Mobilizing finance.** Country platforms should mobilize finance from both public and private sector at national, regional and international levels; coordinating the provision of finance in a programmatic way, so that country platforms do not act merely as policy coordination mechanisms detached from investment delivery, but also provide clear market signals.
- IV. **Transparency.** To ensure a broad base of support and success, platforms should build on common principles, such as broad stakeholder engagement, enhanced transparency and accountability and measurable progress, including the overall impact of collaboration and system transformation. This should include demonstration of cross-cutting outputs/outcome/impacts, such as those related to inclusion, just transition, nature and/or societal engagement (e.g. private sector participation).

5. Forward look

MDBs are well-placed to support countries in the delivery of climate action and wider environmental and development benefits, given their expertise in policy advice, capacity building and development finance, as well as their established relations with key ministries, public authorities and the private and financial sectors in-country and globally. Ultimately, this should lead to greening of the whole economic and financial system at country-level, allowing market to naturally respond to the country's

needs with strengthened local and institutional capacity. MDBs are equipped to support countries achieve their climate and development goals in tandem, in case countries opt for country-platforms or other arrangements.

As stated in the MDB Viewpoint Note, MDBs are committed to elevating country-level coordination and MDB co-financing by adopting a more systemic approach, while respecting the unique mandate and business model of each institution. The purpose is to maximize synergies and complementarities of MDBs on the ground by pooling expertise and financial resources. This involves integrating a mutually reinforcing combination of policy reform, investor appetite, external support, and coordinated finance and technical assistance to accelerate investments at scale, including through private sector mobilization. At the core is a shift from a short-term individual project based view to a longer-term programmatic perspective that focuses on scaling up impact and systemic changes and minimize fragmentation.

i. Supporting countries:

MDBs reiterate their commitment to continue supporting countries to develop and implement country platforms, taking a multisector approach focused on climate action aligned with national development priorities, in response to country demand, both at the upstream stage of LTS and related policy development and in downstream delivery and financing, including of updated NDCs, NAPs and other sectoral and subnational implementation plans.

MDBs, therefore, welcome countries with strong interest in developing a country platform for climate action. Discussion is encouraged between interested national authorities, MDBs, donors and the wider international development community through established in-country bilateral relationships and wider national and sectoral development partner coordination mechanisms (platforms), building on joint policy, capacity building and finance initiatives to date.

ii. Engagement with the climate and development community:

Countries require concessional funding for policy advice and capacity building, as well as technical support for project preparation and implementation, and often substantial longer-term concessional finance to leverage and mobilise public and private sector finance. Grid upgrades, decommissioning of fossil fuel assets and just transition initiatives, for example, in a developing country context, require significant levels of concessional finance.

MDBs will therefore continue to work closely with relevant development and implementation partners such as the IPG in its continued development of the JETP approach. MDBs will also engage with the vertical climate and environment funds as needed, so as to expedite access to the grant funding required to enable them to scale up support and mobilise the additional funding, required to deliver the green transition.

MDBs welcome the accelerated conclusion and action on the Governance review of the Climate Investment Funds (CIFs) and the final G20 independent review of the vertical climate and environment funds, including its initiatives to expand access, streamline processes and coordinate action at country level.

iii. Joint MDB coordination and funding mechanism:

MDBs are exploring enlargement of the MDB LTS Program⁴ to also enable further coordinated MDB support for country platforms. This may range from supporting LTS development to implementation and delivery, and in this context, also help align pathways and delivery of updated NDCs and NAPs. Given the interrelation between LTS, NDC, NAP and other relevant climate policy documents and the urgent need to address both long-term planning and the immediate imperative of financing, the program aims to offer a streamlined vehicle for funding, coordination and execution of country platforms mechanism and seeks for further development partner funding support.

Early identification of financial sources, including grants and concessional funds, and appropriate use of different financial instruments, both private and public, is critical for effective implementation and optimal allocation of increasingly scarcer public funding. Donors, including G20, IPG members and philanthropy, have a key role to play to accelerate country-led sector/thematic platforms both politically and financially.

Beyond the early development stage, it is also important to address the broader financing of country platforms implementation. This includes access to concessional finance, where required, support for private finance mobilisation, where relevant, and domestic resource mobilisation, whenever possible. Building on their knowledge and experience with each of these financing sources, MDBs will support the financing of country platforms in partnership with relevant host government Ministries and other stakeholders, including the private sector, taking account of both quantity and quality of investments needed.

MDBs will consider and respond to the interest expressed by these countries and continue to actively participate in country-led dialogues and coordination efforts with the G20, IPG and other stakeholders active in this space, with a view to expand their in-country coordination through with the aim of scaling of climate action and investment. In doing so, MDBs will respond to individual country needs and priorities, as identified through country-level diagnostics and analyses, building on established coordination forums, to support strengthening of market signals for climate and development investments through mobilisation of finance and delivery of ambitious and actionable climate outcomes for the 2025-2035 period.

⁴ At COP28 the MDBs launched the MDB Long-term Strategy (LTS) Program, hosted by World Bank-managed Climate Support Facility (CSF), which enables MDBs to further expand its on-going assistance to countries.