

Climate Change Division Road Map 2017–2019

Climate Change Division

Inter-American
Development Bank

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Acronyms

ABR	Annual Business Review
CCS	Climate Change Division
CDC	Country Development Challenges
CIF	Climate Investment Funds
CIP	Corporate Input Product
CRF	Corporate Results Framework
CSD	Climate Change and Sustainability Department
DEO	Development Effectiveness Overview
ESG	Environmental Safeguards Unit
ESW	economic sector work
EXR	Office of External Relations
FTE	full-time equivalent
GCF	Green Climate Fund
GHG	greenhouse gas
GRIF	Guyana REDD+ Investment Fund
HRD	Human Resources Department
IDB	Inter-American Development Bank
IIC	Inter-American Investment Corporation
KNL	Knowledge and Learning Sector
MDB	multilateral development bank
NDC	Nationally Determined Contribution
ORP	Office of Outreach and Partnerships
OVE	Office of Evaluation and Oversight
PBL	policy based loan
PMR	project monitoring report
PPP	public private partnership
RBL	results based loan
RND	Environment, Rural Development, and Disaster Risk Management Division
SAP	Systems, Applications, and Products in Data Processing
SFD	sector framework document
SPD	Office of Strategic Planning and Development Effectiveness
TBD	to be determined
VPC	Vice-Presidency of Countries
VPS	Vice-Presidency of Sectors and Knowledge

Foreword

The Paris Agreement on climate change entered into force in November 2016 with 114 parties ratifying the agreement, representing 79% of global emissions. The agreement calls for the alignment of all financial flows for low-carbon and climate-resilient development and urges industrial countries to jointly increase climate finance to US\$100 billion per year by 2020 to help keep global temperature rise well below 2 degrees Celsius. Twenty-five of the borrowing countries of the IDB Group submitted Nationally Determined Contributions before the Paris meeting that included emissions reductions and climate resilience measures. These pledges will determine the rate at which we will be able to act to address climate change challenges. In response, the multilateral development banks have committed to increase climate finance, with the IDB Board of Governors endorsing the goal of increasing the financing of climate-change-related projects in Latin America and the Caribbean to 30% of the IDB's and IIC's combined total approvals of loans, guarantees, investment grants, technical cooperation, and equity operations by December 31, 2020.

To achieve this, the Climate Change Division will work closely with the Vice-Presidency of Countries and the Vice-Presidency of Sectors to mainstream climate change in our operations. During 2017, we will pilot activities that will ensure climate change is considered in country strategies and country programming, leading to prioritization of operations with climate adaptation opportunities. We will support project teams in the development of these opportunities and work with ESG and RND in the identification and management of climate-related disaster risks in operations. We will also continue to ensure that 100% of operations are reviewed to correctly account for climate finance in accord with accepted MDB methodologies and so will be able to report annually against our target—building on the 22% of combined approvals that were climate-change-related in 2016.

Over the next three years we will also continue to link countries with donors to support implementation of Nationally Determined Contributions. During 2016, we established a platform—NDC Invest—that will support countries in turning their NDC pledges into reality. We will also continue to support the development of national climate finance investment plans, aligning these with NDCs and helping to build climate-finance capacities in countries and within the IDB Group. We will focus our efforts on substantial flagship climate finance operations that can be presented to the GCF or CIF boards, while continuing to support the preparation and execution of climate-finance operations prepared across the IDB Group. We will also continue to deepen our alliances with multidonor and bilateral climate finance funds, including ensuring early finalization of the GCF Accreditation Master Agreement.

We will support as well the development of national institutional mechanisms for the implementation of NDCs. It is important that countries move NDCs beyond the Ministries of Environment or climate institutions and into Ministries of Finance and Planning, so that the pledges of the NDCs can be translated into national budgetary commitments. Equally, the implementation of climate policy will require cross-sector coordination and collaboration—and we will look to support cross-sector coordination and engagement mechanisms where possible.

Change is needed if we are to reduce emissions and ensure resilience to climate change in our region. Change requires a clear vision of the future and a coalition to drive the change—but it also requires communication of the urgent need for change, communication of the vision, identification, and removal of barriers to change, and communication of successful initiatives in support of the vision. To this end, in 2017 we will develop a knowledge platform that will identify our key audiences for the change process, name the most important barriers to change, and define key knowledge that will help overcome those barriers and encourage audiences to join our coalition for change. We will tightly link our knowledge and communications activities to operations—both learning from and adding value to operations.

Finally, we will continue to improve our strategic and administrative efficiency within the Division. This plan is a first step in this process—to be followed by workforce planning, where we better define an organizational framework and a workforce to deliver the results described in this document. We will also continue to improve efficiencies in financial, operations, and administrative management of the Division.

Amal-Lee Amin

Executive Summary

Vision	Values	Mission
The Climate Change Division works as a team to lead the paradigm shift toward low-carbon and climate-resilient development in Latin America and the Caribbean	<p>Collaborate: We work together helping everyone to achieve</p> <p>Act: We deliver high-impact results</p> <p>Change: We inspire disruption</p> <p>Innovate: We discover innovative practical solutions</p>	The Climate Change Division partners with stakeholders within the IDB Group and across Latin America and the Caribbean to mobilize resources, generate and disseminate knowledge, and help build institutions to achieve low-carbon and climate-resilient development
1. Mainstreaming climate change— Climate change, as a key element of sustainability, is mainstreamed in IDB Group strategy, policy, programming, and operations	IDB Group institutional and sector strategies incorporate climate change Climate opportunities and risks are identified in IDB Group Country Strategies and programming IDB Group personnel increase their knowledge and understanding of climate resilience and mitigation opportunities and risks in operations Contribution toward the IDB Group 30% climate finance target is consistently tracked and its status disseminated	
2. Increasing access to climate finance— Countries in Latin America and the Caribbean have access to climate finance and adequate support for its deployment to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development	Climate finance is mainstreamed through the IDB Group to support countries' planning, articulating public, private, and donor financing at the international, national, subnational, and local scales External climate finance resources are effectively used by the IDB Group Availability of climate finance for Latin America and the Caribbean is increased and access to climate finance sources is streamlined	
3. Building climate institutions for implementation— Institutions are strengthened through working with the IDB Group to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development	Countries have the institutional capacities to implement their Nationally Determined Contributions Institutions across the region have innovative instruments to mainstream climate change Countries across the region institutionalize inclusive multistakeholder dialogues for climate policy and action	
4. Developing and delivering climate knowledge— Tailored knowledge is applied effectively to support countries implementing Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development	Comprehensive and effective knowledge and dissemination plan developed Knowledge is available to be applied internally within the Bank and externally across Latin America and the Caribbean Climate change information platform provides key knowledge to IDB Group operations and external audiences Increased number of, and level of engagement in, uses of climate knowledge in the IDB Group and across the region	
5. Resource planning and management— The Climate Change Division mobilizes and effectively and efficiently uses human and financial resources to achieve the goals and objectives of the 2017–2019 Road Map	Climate Change 2017–2019 Road Map exists and work plans are aligned annually Appropriately qualified and motivated people are hired, retained, and trained to tasks required by the annual work plan Operations are approved on or before the established approval date CCS corporate communications and reporting is coordinated and enhanced Effective and efficient use of financial resources to achieve goals and objectives Compliance with established time frames to process administrative actions	

Background

This Road Map describes the goals, objectives, and tasks of the Climate Change Division from 2017 to 2019. It was developed from discussions among staff and consultants in the Division, interviews with internal clients, and analysis of external opportunities and challenges and internal strengths and weaknesses. The Road Map considers the global, regional, and IDB Group context, drawing from the 2015 Climate Change Sector Framework (Climate Change and Sustainability Division 2015). The Road Map identifies the Division's role in delivering the vision of the IDB Group as presented in the *Update to the Institutional Strategy 2010–2020* (IDB 2015). Specifically, the Climate Change Division's *Road Map 2017–2019* describes how addressing the cross-cutting theme of climate change can help increase productivity and reduce inequality—transforming Latin America and the Caribbean into a more inclusive and prosperous society.

Global Context

Climate change presents challenges to ensuring global sustainable and inclusive development. By 2050, the world will need to feed 9 billion people, provide housing for 2 billion new urban residents, provide universal access to affordable energy, reduce global greenhouse gas emissions, and adapt to the increasing impacts of climate change. The United Nations Framework Convention on Climate Change Paris Agreement and the 2030 Agenda for Sustainable Development, including the 17 Sustainable Development Goals, reflect an unprecedented opportunity to deliver sustainable development to meet these challenges.

The 197 parties to the Paris Agreement have submitted, or will submit, pledges on climate mitigation and adaptation actions through Nationally Determined Contributions. Under the provisions of the Agreement, countries will refine their NDCs every five years to progress toward limiting global warming to 2 degrees Celsius by 2100 while making their best efforts to limit warming to 1.5 degrees. Through Article 2c of the Paris Agreement, the parties also agreed to make "finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development." In response, all multilateral development banks have committed to increase climate finance to this end.

Increasingly, stakeholders from national and subnational governments, the private sector, and civil society appreciate that low-carbon and climate-resilient development makes long-term economic sense. At the same time, technological advances, financial innovations, and new business models facilitate a transition toward a low-carbon and climate-resilient future. Yet there are major challenges to overcome. The shift of investments into new sectors that will drive transformation is constrained by weak institutions, absence of pipelines of new low-carbon and climate-resilient projects, high transactional costs, risk aversion, vested interests, resistance to change, and potential negative impacts on existing livelihoods. Consequently, trillions may still be invested in high-carbon and low climate-resilient projects—leading to a world much warmer than an increase of 2 degrees Celsius, with significant implications for sustainable and inclusive development (Bhattacharya, Oppenheim, and Stern 2015; The New Climate Economy 2016).

Regional Context

Latin America and the Caribbean makes a small overall contribution to global GHG emissions. The region is home to about 9% of the world's population and produces 9% of gross world product and about 9.5% of global emissions (Edwards, Roberts, and Lagos 2015). In general, per capita emissions are lower than the global average, with some notable outliers in the Caribbean that are much higher. Compared with other regions, a high share of electricity in the region is generated from renewable sources, with energy use, agriculture, and land use change as the major drivers of GHG emissions.

The increased frequency and severity of extreme weather events, including hurricanes, and sea level rise are already causing human, infrastructure, economic, and ecosystem losses across the region (Field et al. 2012). A conservative estimate of regional incremental costs due to climate change impacts is US\$85–110 billion annually by 2050 (Vergara et al. 2013). The region remains highly vulnerable to such impacts despite reductions in vulnerability over the last 20 years. Regional indicators show high variability in the abilities of countries across the region to respond to climate change, with the most vulnerable countries limited by institutional capacity.

Almost all countries in the region presented NDCs. Most NDCs cover mitigation and adaptation and address transformation of the energy, transport, urban, agriculture, water, and disaster risk management sectors. Most of them appear to have been coordinated through Ministries of Environment or similar entities; there is a need to shift the climate agenda to Ministries of Finance and Planning and to key sector ministries so that transformations are reflected in national budgets—challenging in countries with fiscal constraints.

Many countries already have national climate change policies and national development plans that incorporate climate issues, but institutional frameworks will need to be redesigned to support energy transformation, urban sustainability, sustainable mobility, and landscape sustainability. Effective climate action will need clarification of roles and responsibilities, institutional capacity for implementation, and the ability to govern and coordinate actions across multiple sectors with overlapping competencies. Effective climate action will also need to be designed to be socially and politically feasible (Sovacool, Linnér, and Goodsite 2015) to incentivize transformations while minimizing stranded asset risks (Caldecott et al. 2016), ensure predictability and minimize economic disruption, and be fully synergistic with development and economic agendas.

The unique nature of climate change creates specific knowledge and capacity building needs (Pollitt 2015). Specific information and analysis under conditions of uncertainty will be needed to better understand and respond to hazards, exposure, vulnerability, and the consequences of climate change for well-being. Furthermore, information will need to be downscaled, to the extent possible, to ensure that it is locally relevant. We will also need to understand and make available new and appropriate market mechanisms, technologies, business models, financing models, and regulatory models that can reduce risk and support innovation in investments in mitigation and adaptation (Trærup et al. 2015; Olhoff 2015).

Increased investment is needed to support transformation to low-carbon and climate-resilient economies. Scaled-up investment to support transformation will come, in part, from attracting the private sector through commercial banks and institutional investors (Bhattacharya, Oppenheim, and Stern 2015; Bielenberg et al. 2016; The New Climate Economy 2016). Public investment is needed to build institutional capacity to translate NDC policy aspirations into sector and budgetary actions, to accelerate origination and preparation of pipelines of low-carbon and climate-resilient projects, to innovate and make accessible new business and financing models and clean technologies, and to ensure access to concessional resources to reduce costs and risks for private investors (Bielenberg et al. 2016; Granoff, Hogarth, and Miller 2016; Mercer and IDB 2016; The New Climate Economy 2016; Business and Sustainable Development Commission 2017).

Sustainable infrastructure provides energy, transport, water, sanitation, and communication services for increasingly urbanized populations across the region; infrastructure decisions taken over the coming years will determine the climate future of the planet (Bhattacharya, Oppenheim, and Stern 2015; The New Climate Economy 2016). Decarbonizing electricity generation requires resilient renewable energy mixes, decentralization, energy efficiency, and regional interconnections that permit penetration of intermittent

renewable technologies (Fay et al. 2015; Business and Sustainable Development Commission 2017). For Latin America and the Caribbean, transport and logistics systems will need to decarbonize and shift toward multimodal urban mobility solutions that include increased electrification with renewable technologies (Fay et al. 2015; Business and Sustainable Development Commission 2017).

Climate change will aggravate water management, and flooding will continue to be characteristic of extreme weather events—with severe economic consequences (IPCC 2014). Water provision and management infrastructure will need to consider shifts in water availability and quality, including the resilience of water-producing ecosystems. Urban planning will continue to be a focus of sustainability efforts—particularly given housing deficits and the importance of cities as sources of GHG emissions (Marcotullio et al. 2013)—and needs to emphasize efficient and low-carbon resource and material use as well as climate resilience.

Climate change will have major impacts on agriculture, affecting livelihoods across the region. Net exports of corn, soy, wheat, and rice may fall by US\$11 billion by 2020, along with significant yield reductions in wheat and barley (Fernandes et al. 2012). There are clear needs, and opportunities, for supporting climate-smart agriculture and livestock technologies across smallholders and large-scale producers to address risks and to raise output to meet new demand (Fay et al. 2015; Business and Sustainable Development Commission 2017). Approaches to improving land use include restoration of degraded lands, which could also reduce pressures created by land use and land use change as a major driver of GHG emissions (Stavi and Lal 2015; Business and Sustainable Development Commission 2017; de Moraes Sá et al. 2017). Across the region, biodiversity and ecosystem services will be affected by climate change; landscapes, such as forests, wetlands, and marine and coastal systems, will be increasingly important in providing ecosystem-based adaptation solutions and as natural carbon sinks. Forestry and agroforestry systems will play an increasingly important role in maintaining livelihoods, minimizing poverty risks, and reducing GHG emissions (Fay et al. 2015).

Islands and low-lying coastal areas in the region face specific challenges and vulnerabilities because of climate change (IPCC 2014; Kelman 2014). They are particularly vulnerable to natural hazards exacerbated by sea level rise and sensitive to financial and economic shocks. Coastal ecosystems that in the past may have been the basis for resilience have been substantially degraded, and the close relationships between terrestrial, freshwater, and coastal marine systems requires cross-sector integrated institutional approaches to governance (Pittman et al. 2015).

The region's prospects for improving social inclusion and reducing inequality may be undermined by climate change through effects on health. Advances over the past decade in health and nutrition may be jeopardized by increased exposure to vector-borne tropical diseases, the appearance of diseases in new areas, and an increased incidence of cardiovascular and respiratory diseases. The main health threats associated with climate change in the region are malaria, dengue, cholera, heat stress, and emerging diseases like Zika and Chikungunya; treating additional cases of malaria and diarrhea could cost US\$1 billion per year by 2050 (Vergara et al. 2013).

The IDB Group and the Region

The IDB Group has strong partnerships with governments in Latin America and the Caribbean and is recognized as an honest broker that can bring knowledge to bear in operations. The IDB Group covers both the public and the private sector and can take advantage of synergies between policy and finance to drive transformation. The Group provides finance across government ministries, national development banks, commercial banks, large corporates, municipalities, and small private sector entities. Financial

resources include loans, guarantees, and grants that can be blended and structured innovatively to leverage additional finance from sources, including the private sector. The Bank has additional comparative advantages, including its ability to pass on lessons learned, disseminate good practices among borrowing and non-borrowing member countries, and an ability to build policy dialogues.

The IDB is a leading source of climate finance in this region, providing over half of the climate finance there with funds from the Adaptation Fund, the Climate Investment Fund, the Global Environment Facility, the Green Climate Fund, the Nordic Development Fund, and bilateral funds such as those in the United Kingdom, Denmark, and Germany, as well as through public and private sectors.

Since 2012, the Bank has used the Multilateral Development Bank methodology to estimate climate finance. The Governors at the IDB Group's 2016 annual meeting set a climate finance target of 30% of approvals by 2020 (subject to demand from our borrowing countries and clients and to access to external sources of concessional financing). In 2016, the IDB Group provided US\$2.649 billion in climate financing (see Figure 1; 21.59% of total approvals), covering commitments from its own resources and from external resources that it manages.

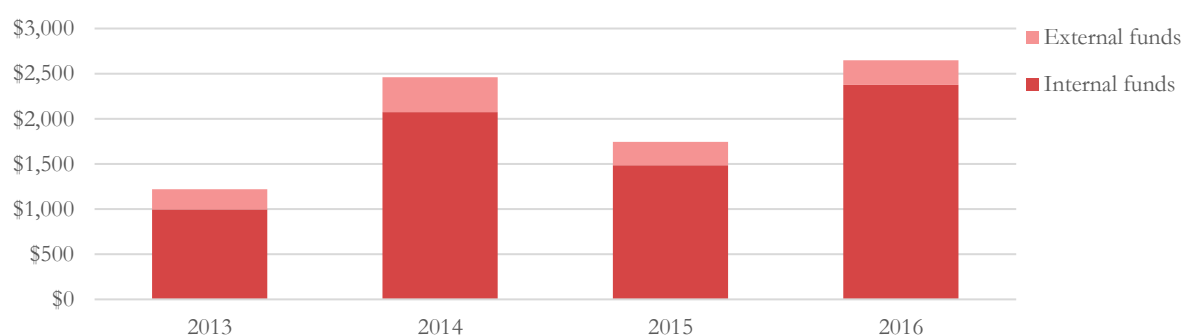


Figure 1: Climate finance in the IDB Group 2013-2016 (US\$ millions)

During 2016, the Bank announced a new initiative, NDC Invest, to offer a comprehensive platform to help countries implement their commitments under the Paris Agreement. This “one-stop shop” provides flexible support to address the needs of member countries as they refine NDCs leading to 2020, while enabling implementation in four areas:

- **NDC Programmer** to integrate NDCs into national development and sector planning
- **NDC Pipeline Accelerator** to foster a portfolio of sustainable and bankable projects
- **NDC Market Booster** to provide grants to pilot new business and financial models
- **NDC Finance Mobilizer** to increase access to concessional resources to reduce costs and manage risks associated with investments needed to meet NDC commitments

The Climate Change Division

Sustainability is core to the IDB Group. The vision of the *Update to the Institutional Strategy 2010–2020: Partnering with Latin America and the Caribbean to Improve Lives* is to work in partnership with the region to increase productivity and reduce inequality, transforming Latin America and the Caribbean into a more inclusive and prosperous society. The challenges addressed by the strategy are social inclusion and equality, productivity and innovation, and economic integration. The cross-cutting issues are gender

equality and diversity, climate change and environmental sustainability, and institutional capacity and the rule of law.

The IDB has progressively strengthened climate change actions in the region since the launching of the *Sustainable Energy and Climate Change Initiative* in 2007. In 2010, the Bank established a climate change unit and converted this to the Climate Change and Sustainability Division in 2012. During 2016, reflecting the *Update to the Institutional Strategy 2010–2020*, the IDB Group reorganized to establish a Climate Change and Sustainable Development Department that manages agriculture, biodiversity, climate change, forestry, tourism, and sustainable cities and that mainstreams sustainability across the IDB Group. The Climate Change Division is situated within the new Department.

During 2016, the Climate Change Division employed 57 full-time equivalents (22 staff and 35 consultants), with the number of FTEs ranging from 70 to 57 from 2013 to 2016 (see Figure 2). The annual non-personnel budget has been approximately US\$1 million (see Figure 3). The Division developed the *Integrated Strategy for Climate Change Adaptation and Mitigation and Sustainable and Renewable Energy* (2011), the *Climate Change Action Plan 2012–2015* (2012), and the *Sector Framework Document on Climate Change* (2015). The Division has established good working relationships with countries and partnerships with donors and is building communications capacities. However, the Division has insufficient resources to cover all the priorities that have been identified for climate change in the region, and it will need to focus efforts on critical priorities based on comparative advantages.

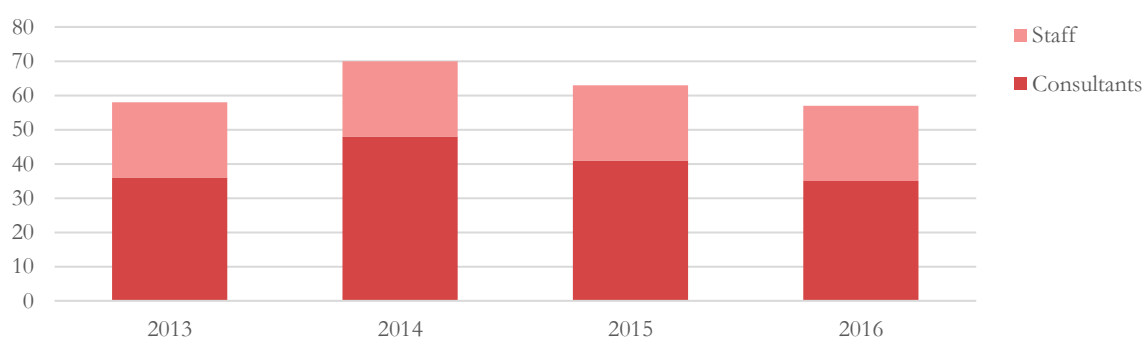


Figure 2: Numbers of staff and consultants employed by the Climate Change Division 2013-2016

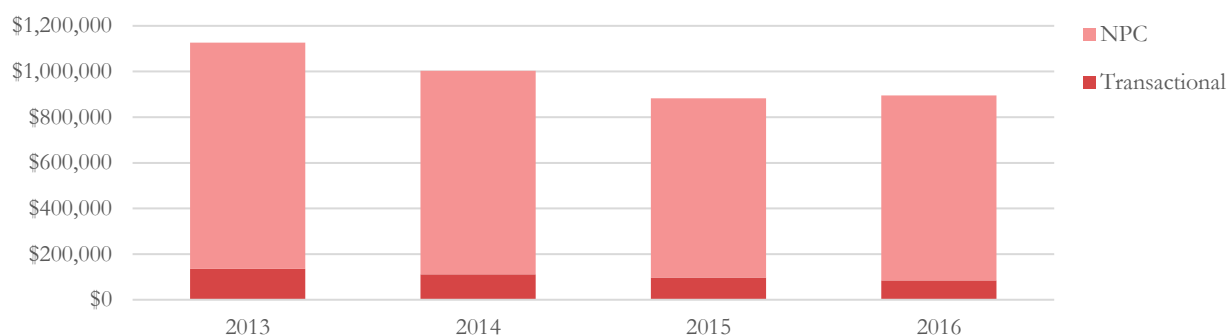


Figure 3: Annual non-personnel budget for the Climate Change Division

Highlights

Opportunities for CCS: Governments in the region and private companies are joining the growing global climate change agenda marked by the Paris Agreement and the 2030 Agenda to institutionalize support for climate action. To match this, the IDB Group has an *Update to the Institutional Strategy 2010–2020* that recognizes climate as a cross-cutting issue, is committed to a 30% climate finance target in 2020, is committed to screen all relevant operations for climate resilience, and has established a new Climate Change and Sustainable Development Department. At the same time, technologies and innovative financial instruments are advancing rapidly for low-carbon and climate-resilient cities, energy, agriculture, landscapes, and infrastructure.

Challenges to CCS: Many countries in the region are highly vulnerable to climate change, and the most vulnerable countries often have weak institutions. There is no single route for inserting climate change into government agendas or for building institutional capacity, and governments tend to focus on the immediate over the long term. The existing frameworks for project preparation within the IDB Group constrain the incorporation of climate concerns, driving a need to incorporate climate issues into the project cycle as early as possible and with minimal disruption.

CCS Strengths: The Climate Change Division has a mandate to work across the IDB Group to mainstream climate change, with substantial thematic overlap with sectors. At the same time, the Division has ready access to governments and an excellent reputation and relationships to convene actors for regional dialogues.

CCS Weaknesses: The Climate Change Division needs to clarify its vision, mission, and way forward, including prioritizing regions and focusing actions as a basis for resource acquisition and allocation. The new vision needs to be internally communicated to ensure everyone is working toward the same goals and objectives and should be socialized externally to ensure clarity of purpose.

Strategic Directions

Vision

The Climate Change Division works as a team to lead the paradigm shift toward low-carbon and climate-resilient development in Latin America and the Caribbean

Values

- Collaborate: We work together, helping everyone to achieve.
- Act: We deliver high-impact results.
- Change: We inspire disruption.
- Innovate: We discover innovative and practical solutions.

Mission

The Climate Change Division partners with stakeholders within the IDB Group and across Latin America and the Caribbean to mobilize resources, generate and disseminate knowledge, and help build institutions to achieve low-carbon and climate-resilient development.

Programs

Program	Goal
1. Mainstreaming climate change	Climate change, as a key element of sustainability, is mainstreamed in IDB Group strategy, policy, programing, and operations
2. Increasing access to climate finance	Countries in Latin America and the Caribbean have access to climate finance and adequate support for its deployment to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development
3. Building climate institutions for implementation	Institutions are strengthened through working with the IDB Group to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development
4. Developing and delivering climate knowledge	Tailored knowledge is applied effectively to support countries implementing Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development
5. Resource planning and management	The Climate Change Division mobilizes and effectively and efficiently uses human and financial resources to achieve the goals and objectives of the 2017–2019 Road Map

Activities, Objectives, Tasks, and Indicators

1. **Mainstreaming climate change:** Climate change, as a key element of sustainability, is mainstreamed in IDB Group strategy, policy, programing, and operations

Activities	Objectives	Tasks	Indicators
1.1. Ensure that IDB Group strategies and results reflect climate change goals	IDB Group institutional and sector strategies incorporate climate change	Finalize climate indicators for the CRF 2016–2019; Support monitoring of the CRF climate indicators; Incorporate climate into VPS Strategic Framework Documents; Prepare Climate Change SFD (2018); Provide inputs to MIF and IIC institutional strategies; Develop Climate Change Action Plan (2017–2020) to meet 30% climate finance target; Provide inputs for the SPD monitoring reports DEO and ABR	Share of IDB Group strategic documents prepared in 2017–2019 that appropriately reflect climate change Baseline (2015): TBD Target (annual): 100% Source: CCS
1.2. Ensure that IDB Group Country Strategies and programming reflect climate change goals	Climate opportunities and risks are identified in IDB Group Country Strategies and programming	Prepare technical inputs for Country Development Challenges; Review CDCs as members of peer review; Prepare technical inputs into country strategies; Prepare NDC Country Profiles for VPC dialogue with governments; Build VPC capacity and understanding for climate opportunity and risks; Scan annual program (pipeline) for climate opportunities and risks and prioritize operations for CCS support; Prepare report for priority operations to guide VPC before eligibility review; Prepare, negotiate, and establish internal operational procedures for scanning; Monitor CCS support to priority operations	Share of IDB Group country strategies prepared in 2017–2019 that appropriately reflect climate change Baseline (2015): TBD Target (annual): 100% Source: CCS
1.3. Develop capacities and tools to address climate resilience and mitigation opportunities and risks in relevant IDB Group operations	IDB Group personnel increase their knowledge and understanding of climate resilience and mitigation opportunities and risks in operations	Establish liaison and coordination with VPS sectors; Prepare, negotiate, and establish VPC-VPS internal operational procedures for scanning, screening, and tracking; Develop and implement VPS capacity building tools for incorporating climate opportunities and addressing risks in operations; Incorporate fit-for-purpose approach to economic analysis in operations with climate resilience; Actively participate in the design, preparation, approval, and execution of operations; Support climate risk screening and the development of disaster risk assessment and climate risk reports	Operations that include at least one climate change indicator in the results matrix (%) Baseline (2015): TBD Target (annual): TBD Source: PMRs Operations with an assigned climate change contributor (%) Baseline (2015): TBD Target (annual): TBD Source: CCS/Convergence
1.4. Monitor and inform on the status of the IDB Group 30% climate finance target in accord with international commitments within and outside the IDB Group	Contribution toward the IDB Group's 30% climate finance target is consistently tracked and its status disseminated	Ensure annual reporting on climate finance in IDB Group portfolio; Work with MDB working group on GHG emissions to standardize reporting approach; Ensure documentation of GHG emissions in operations using MDB methodology; Track climate finance in 100% of IDB Group operations using MDB methodology; Work with MDB working group on climate finance tracking to standardize reporting approach, including for adaptation	IDB Group finance qualifying as climate finance per the MDB approach (%) Baseline (2015): TBD Target (annual): TBD Source: CCS/Convergence

2. **Increasing access to climate finance:** Countries have access to climate finance and adequate support for its deployment to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development

Activity	Objective	Tasks	Indicators
2.1. Ensure capacity to optimize the use and allocation of climate funds to achieve Nationally Determined Contributions and Sustainable Development Goals, integrating donors, governments, and stakeholders—enhancing ownership and sustainability	Climate finance is mainstreamed through the IDB Group to support countries' planning, articulating public, private, and donor financing at the international, national, subnational, and local scales	Improve country access to climate finance through investment planning; Build country capacities to access, manage, and report on climate finance; Support countries in monitoring efficient and transparent use of climate finance; Raise awareness of available climate finance within countries; Articulate climate finance investments with other donors; Align climate finance with country climate strategies and frameworks including Nationally Determined Contributions; Use climate finance to mobilize additional public and private finance for transformation	IDB Group—managed climate finance that is aligned with NDCs or other country climate change frameworks (%) Baseline: n/a Target (annual): monitor Source: CCS desk review
2.2. Guide climate finance within the IDB Group to facilitate the access and delivery of funds to transformational projects	External climate finance resources are effectively used by the IDB Group	Identify new substantive operations that can benefit from climate finance including projects for GCF or CIF; Climate finance specialists support project teams in effective execution of climate finance operations; Climate finance specialists support divisions in preparation of climate finance operations; Align and streamline operation preparation with climate finance project cycle; Build capacity within the IDB Group to access climate finance; Use climate finance to mobilize private capital including through public private partnerships; Develop sector investment plans to originate operational pipelines; Develop strategy and guidelines for the use of climate finance; Develop and disseminate case studies to build business case for climate finance; Design climate finance for transformation impact combining public and private investments	Climate finance mobilized (\$) Baseline: TBD Target (2019): increase TBD Source: CCS calculation
2.3. Engage and build partnerships with public and private sources of climate finance for Latin American and Caribbean countries	Availability of climate finance for countries is increased and access to climate finance sources is streamlined	Secure IDB Group accreditation with multidonor and bilateral climate finance funds, including GCF Accreditation Master Agreement; Partner with other institutions to mobilize new climate finance resources; Identify joint activities with MDBs to achieve economies of scale in climate finance; Monitor, evaluate, and disseminate lessons learned on climate finance; Work with ORP to manage climate finance donor relations—negotiation, communication, and reporting; Partner with ORP to develop new innovative instruments such as Trust Funds; Participate in the governance of climate funds; Build alliances between countries and climate finance donors; Build alliances to move forward climate finance agenda forward in Latin America and the Caribbean	See indicator for 2.2

3. **Building climate institutions for implementation:** Institutions are strengthened through working with the IDB Group to implement Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development

Activity	Objective	Tasks	Indicators
3.1. Support country readiness for implementation of the Nationally Determined Contributions and Sustainable Development Goals	Latin American and Caribbean countries have the institutional capacities to implement their Nationally Determined Contributions	Engage with Ministries of Finance to support financing strategies and budget planning for NDC implementation at national and local levels; Support policy, legislative, and regulatory development for sustainable development; Work across the IDB Group to incorporate institutional capacity building for climate change; Promote cross-sector coordination among national institutions; Assess national institutional arrangements to support climate mainstreaming; Support translation of NDCs into investment plans	Additional institutions substantively supported on climate change issues (#) Baseline: 0 Target (cumulative 2017–2019): TBD Source: PMR NDCs implemented in region (#) Baseline: n/a Target: monitor
3.2. Build innovative institutional approaches to mainstream climate change	Institutions across the region have innovative instruments to mainstream climate change	Establish new institutional approaches to climate change analysis; Develop and implement new business models that incorporate climate change considerations; Incorporate climate resilience and mitigation considerations and practices within PPP institutions; Develop and implement innovative institutional arrangements for climate finance, such as Colombia Sostenible, GRIF, Peru Fund; Support innovative climate technologies; Pilot innovative institutional arrangements for climate change in countries; Build local and national meteorological institutional capacities; Develop and pilot institutional arrangements for cross-sector coordination; Develop PBLs and RBLs to deliver institutional results	See indicator for 3.1
3.3. Ensure dissemination of results through partnerships and synergies with nongovernmental stakeholders	Countries across the region institutionalize inclusive multistakeholder dialogues for climate policy and action	Support establishment of multi-stakeholder dialogues and collaborations within and among countries; Integrate climate considerations into legislative and regulatory agencies; Support private sector networks to incorporate climate considerations into decision making; Support prioritized regional policy dialogues; Support information sharing and dissemination of best practices across knowledge networks	

4. **Developing and delivering climate knowledge:** Tailored knowledge is applied effectively to support countries implementing Nationally Determined Contributions and to facilitate low-carbon and climate-resilient development

Activity	Objective	Tasks	Indicators
4.1. Define knowledge plan—audiences, messages, and knowledge gaps	Comprehensive and effective knowledge and dissemination plan developed	Liaise with KNL, EXR, and key partners to develop strategic knowledge platform; Identify, understand, and prioritize audiences, their perceptions, and needs; Identify knowledge gaps within the IDB Group across sectors; Identify knowledge to be applied in operations; Identify key knowledge gaps throughout the region; Prioritize areas for knowledge generation and dissemination; Identify key tools for the management and application of knowledge; Develop a monitoring and evaluation process for knowledge generation and dissemination	
4.2. Generate knowledge in strategic areas related to climate change	Knowledge is available to be applied internally within the Bank and externally across the region	Develop tailor-made knowledge products for specific target audiences; Analyze the business case and new business models for climate action; Prepare case studies of what works and what does not work; Partner with academic community to fill knowledge gaps; Elaborate dissemination materials	Identified strategic areas covered by new knowledge products (%) Baseline: TBD Target (cumulative 2017–2019): TBD Source: knowledge plan
4.3. Disseminate knowledge to key audiences	Climate change information platform provides key knowledge to IDB Group operations and external audiences	Define communications strategy; Develop and publish materials; Organize and deliver events targeted to specific audiences; Develop and continuously improve web-based materials and social media content; Ensure active and targeted participation in external events; Prepare annual Sustainability Report; Build VPC capacity and understanding for climate opportunity and risks; Develop and implement VPS capacity building tools for incorporating climate opportunities and addressing risks in operations;	Active users of website, blogs, and other knowledge communications (#) Baseline (2015): TBD Target (2019): TBD Source: EXR Social media comments (#) Baseline: TBD Target: TBD Source: EXR
4.4. Foster long-term networks for knowledge transfer	Increased number of, and level of engagement in, uses of climate knowledge in the IDB Group and across the region	Convene climate technical knowledge dialogues; Facilitate knowledge dialogues among public sector, private sector, academia, civil society, and development agencies; Develop and support critical knowledge networks that translate knowledge into action; Collaborate with existing think tanks and research dialogues; Promote new tools and methodologies through knowledge networks; Develop long-term networks for knowledge transfer	New knowledge network partners (#) Baseline: 0 Target (cumulative 2017–2019): TBD Source: CCS

5. **Resource planning and management:** The Climate Change Division mobilizes and effectively and efficiently uses human and financial resources to achieve the goals and objectives of the 2017–2019 Road Map

Activity	Objective	Tasks	Indicators
5.1. Goals and objectives are defined through the 2017–2019 Road Map and delivery is monitored	Climate Change 2017–2019 Road Map exists and work plans are aligned annually	Liaise with CSD; Monitor and report on achievement of goals and objectives of Road Map; Prepare quarterly review of Annual Work Plan; Develop 2020–2022 Road Map (2019); Prepare annual CCS Work Plan; Align individual annual work plans to Road Map	
5.2. Effective and efficient use of human resources	Appropriately qualified and motivated people are hired, retained, and trained to tasks required by the annual work plan	Liaise with HRD; Develop and implement Work Force Plan— technical organizational structure, future work-force characteristics and FTE requirements to deliver Road Map, analyze baseline workforce, training and recruitment plan; Manage workloads KNL technical training; HRD core competencies training; Individual development and career planning; Performance evaluation and recognition; Ensure appropriate use of contracting modalities; Promote work assignments from CCS to other areas of IDB Group and from the IDB Group to CCS; Talent management; Efficient and targeted recruitment processes; Onboarding; Flexible work schedules	Activities in roadmap that have been assigned to qualified employees (%) Baseline: TBD Target (by 2019): 100% Source: Roadmap and employee work plans Employee time reported in SAP corresponding to division priorities (%) Baseline (2017): TBD Target (2019): TBD Source: Roadmap and SAP
5.3. Support the preparation and monitoring of CCS operations	Operations are approved on, or before, the established approval date	Centralize information on the projects in which CCS leads, has team members, or is tracking climate finance; Track status of all technical cooperation and loan proposals supported by CCS; Support CCS team leaders in administration of operations, including communications and reporting; Track proposals and reporting for ESWs and CIPs	See indicators in program 1
5.4. Support internal communications and logistics	CCS corporate communications and reporting is coordinated and enhanced	Respond to corporate reporting requests from OVE and SPD; Organize travel and meetings for Division Chief; Plan and deliver logistics for corporate events; Coordinate Division Chief agenda with Board and Senior Management; Organize staff meetings and coordinate communications	
5.5. Prioritize, allocate, execute, monitor, and report on the use of financial resources	Effective and efficient use of financial resources to achieve goals and objectives	Develop annual budget and budget modifications; Monitor and report on budget execution; Ensure funds are spent on time; Source additional funds as possible; Use results-based budgeting reporting; Coordinate external resources with GCM	Budget spent on time and for planned purpose (% \$ resources) Baseline: TBD Target: TBD increase Source:
5.6. Improve CCS core administrative procedures	Comply with established timeframes to process administrative actions	Coordinate use of office space; Communicate contracting procedures; Verify contracts and agreement letters; Verify financial resource allocation for acquisitions; Verify information for signatures; Fix errors and follow through on systems; Ensure appropriateness and oversee preparation of missions	

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