

## SUMMARY OF UNDP COMMENTS:

### *“TOWARDS A STRATEGIC FRAMEWORK ON CLIMATE CHANGE AND DEVELOPMENT FOR THE WORLD BANK GROUP”*

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- UNDP believes that addressing climate change is central to the development and poverty reduction agenda. UNDP is pleased that the World Bank group is putting poverty at the center of its Strategic Framework on Climate Change and Development (SFCCD) and is delighted to have been able to provide comments on this draft framework and issues paper.
- Please find below a summary of UNDP’s comments on the *“Towards a Strategic Framework on Climate Change and Development for the World Bank Group”* concept and issues paper. UNDP hopes that these comments will be useful for the World Bank group in developing a framework which will lead the World Bank group in addressing climate change whilst simultaneously advancing sustainable growth and poverty reduction in developing countries.

#### *Overall comments:*

- UNDP and the World Bank believe that climate change offers an unprecedented opportunity to rethink development assistance and move societies towards a sustainable future. As Robert Zoellick said during the UN Climate Change Conference in Bali (December, 2007), climate change  
  
*“ is a development, economic, and investment challenge. It offers an opportunity for economic and social transformation that can lead to an inclusive and sustainable globalization. That is why addressing climate change is a critical pillar of the development agenda.”*
- UNDP suggests that in order to adequately address the climate change challenge the World Bank group and the United Nations funds and agencies should build a new development paradigm that transforms current modes of delivering assistance.
- UNDP is pleased that the importance of scaling up the World Bank’s work on climate change and forging new partnerships with other development partners is stressed throughout draft SFCCD. However, UNDP argues that the forging of new partnerships also needs to include new modes of cooperation with the UN system. Climate change is a global challenge of an unprecedented scale that requires new collaboration amongst development partners, particularly between the Bretton Woods institutions and the UN system.
- For example, partnerships with other development partners, including relevant UN organizations, will be crucial in providing energy access to over 2 billion un-served poor people. Creating an enabling environment for domestic and international

investments in energy provision and off-grid, innovative solutions, will need to be included in the policy and technology mix.

- Better integration of the development assistance provided by the UN system and the World Bank group will help achieve economies of scale, strengthen coherent support delivery to countries, improve investment decisions, talking alternative sustainable solutions into consideration that can assist countries move towards less carbon intensive production and consumption patterns, while promoting growth and reducing poverty.
- However, these new modes of cooperation with other development partners need to be first tested to bring their comparative advantages to bear in a synergistic and mutually reinforcing manner. Working together will not only enhance aid effectiveness, but also increase access carbon financing and forward transformational change for developing countries.
- Climate change impacts on all sectors of society and relates to the majority of investments, including those outside the scope of traditional development assistance and World Bank group support. This fact requires that that the international development community revisits the development paradigm and considers how to impact on the majority of private and public investments that normally lay outside the scope of World Bank group financial support.
- UNDP will work with the World Bank group to test a new mode of cooperation in a selected number of countries in the next two years, to ensure that the development expertise of the UN (geared toward the public sector) and the financial private sector expertise of the World Bank group are brought together. The cooperation will assist developing countries to involve the private sector in climate action and to create an enabling public environment, through regulatory and market based mechanisms, which strengthens public priorities to initiate a transformational change to address climate change.