



European Bank
for Reconstruction and Development

CONNECTING THE DOTS

EVIDENCE THAT DRIVES CHANGE

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What do a decade of evaluation reports say about the future of International Finance Institutions' interventions in climate finance?

The Paris Agreement, signed at the Conference of the Parties (COP) 21 in 2015, set a goal of keeping global warming much less than 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C.

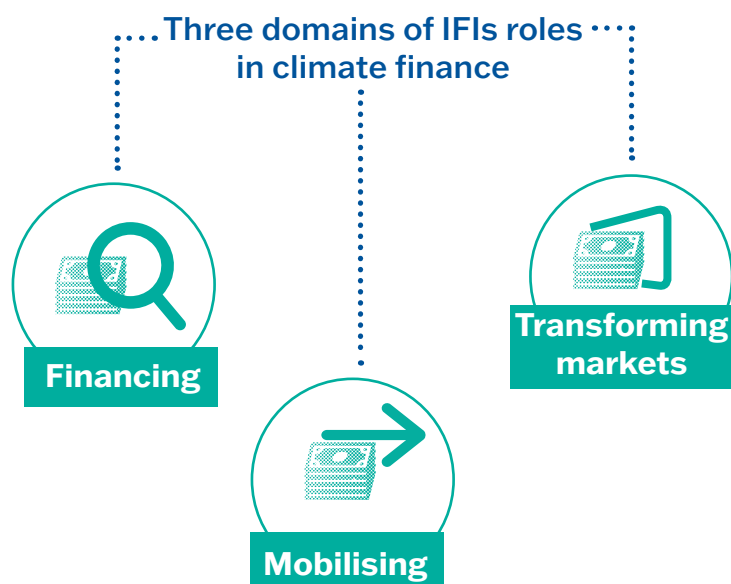
Having a reasonable chance of achieving this goal requires a strong and rapid response. Specifically, as per the Intergovernmental Panel on Climate Change (IPCC), global emissions of CO₂ must reach net zero by 2050. The latest IPCC report states that human-induced climate change is provoking many weather and climate extremes in every region across the globe. In the absence of sustained and increased efforts to limit emissions and strengthen resilience, this will likely intensify and generate increasingly negative consequences.¹

This synthesis draws key lessons from international financial institutions' (IFIs) evaluations on climate finance activities and aims to contribute to the body of evidence-based evaluation knowledge, particularly in relation to IFI interventions via financing, mobilisation and transforming markets.



In this brief:

- What is the IFIs' Role?
- What can we learn from evaluation?
- Nine key lessons from evaluation
- The cases from EBRD evaluations
- A perspective for tomorrow



WHAT IS THE IFIS' ROLE?

The challenge lying ahead highlights the enormous investment gap that needs to be closed to keep warming within the limits set in 2015. IPCC forecasts that the required range of low-carbon investments in energy supply is between US\$ 1.6 and US\$ 3.8 trillion per year globally between now and mid-century.ⁱⁱ On the other hand, the Climate Policy Initiative estimates that climate finance flows soared substantially between 2012 and 2019 but still stand between US\$ 608 and US\$ 622 billion.ⁱⁱⁱ

IFIs are well positioned to deploy and mobilise climate finance and help close this gap. Their geographic mandates span many countries and continents. Compared to commercial banks, IFIs have more leeway to utilise concessional financing. Many have direct channels of communication with governments, and public shareholders typically have a level of ambition that is commensurate with the degree of challenges posed by global warming.

IFI financing targets set for 2025 and 2030 demonstrate their willingness to take on this challenge. Major IFIs aim to increase the share of their climate finance commitments substantially. Many plans contemplate that by 2025 at least half of all of their commitments or operations will support climate change mitigation and adaptation.^{iv} However, in 2020, they committed only US\$ 66 billion to climate finance.^v Achieving the targets set for 2025 and 2030 will require IFIs to accelerate their deployment of climate finance considerably.

WHAT CAN WE LEARN FROM EVALUATION?

With this question in mind, the EBRD Evaluation Department (EvD) brought together evidence-based lessons^{vi} from independent evaluations on climate finance.^{vii} In addition to EBRD evaluations, EvD screened evaluations by Independent Development Evaluation - African Development Bank (IDEV-AFDB), Independent Evaluation Department - Asian Development Bank (IED-ADB), Independent Evaluation Group - World Bank Group (IEG-WBG), Independent Evaluation Office - Global Environment Facility (IEO-GEF), Independent Evaluation Unit - Green Climate Fund (IEU-GCF), Evaluation function - European Investment Bank (EV-EIB), and Office of Evaluation and Oversight - Inter-American Development Bank (OVE-IADB). From 102 reports, EvD identified 63 lessons that were sufficiently relevant and specific to climate finance.^{viii} EvD clustered the lessons into three stylised categories that reflect the various roles played by the IFIs in the climate finance domain:

- financing (investing in projects with the IFIs' own funds)
- mobilising (catalysing third party public or private finance flows to climate projects)
- transforming markets by creating enabling environments to facilitate climate action

How do IFIs take action on climate change?



Identifying projects and origination

Mainstreaming of climate change and energy efficiency in operations

Appraising risk including climate related

Designing projects and providing adequate financial instruments

Measuring results (monitoring, results framework, evaluation)



Issuing green and sustainability bond

Supporting to carbon markets

De-risking through A/B structures, guarantees, junior debt positions, structure funds, concessional finance

Building capacity of local FIs through TA and credit lines

Piloting, Trailblazing



Sharing knowledge and good practices

Convening, engaging in policy advocacy

Providing technical support to promote policy reform and to strengthen institutional capabilities

Coordinating donors, governments and between IFIs

9 KEY LESSONS FROM EVALUATION

Financing

1

At the onset of project design, if sufficiently undertaken, upstream diagnostic and risk assessment facilitates improved project performance.

Independent evaluations from the WBG and AFDB show that, particularly, the success of off-grid utilities and implementation of renewable energy (RE) technologies is sensitive to the presence of an initial market assessment. A rigorous and extensive market study early in the preparation stage can provide information on market characteristics and barriers. That lays a solid foundation for effective project design. Such ex ante assessment is important for projects in energy markets that are inherently dynamic. This is because the impact of these projects is not readily observable in the near term.

For example, with respect to its rural electrification projects in Tunisia, Benin, Ethiopia, Gambia and Mozambique, IDEV-AFDB's project cluster evaluation^{ix} notes that project designs did not assess the risk associated with, inter alia, reliability of the supply and quality of locally manufactured project inputs, capacity of implementation units and capacity of contractors. This contributed to substantial implementation delays and inefficiencies. Similarly, in its Evaluation of the World Bank Group's Support for Electricity Supply from Renewable Energy Resources, 2000–2017,^x IEG-WBG states "While IFC scaled-up its financing for RE investments, it had less success in achieving development outcomes in-line with its own objectives. Limited availability of sector expertise and poor risk assessment likely contributed to uninformed investment decisions" and concludes that addressing barriers associated with such assessments promotes the success of the projects.

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2

Enhancing measurement and monitoring can help to incorporate climate change considerations into project design and appraisal for greater impact.

Evidence shows that advanced thinking on ways to measure progress leads to improved assessment, identification and analysis of results and facilitates the integration of aspects of adaptation, mitigation, climate risk management, renewable energy and energy efficiency (EE) into project design and appraisal.

Evaluations by IED-ADB, EV-EIB, IEU-GCF, IEO-GEF and IEG-WBG demonstrate that systematic and consistent use of results frameworks improves the management of results, quality verification and the tracking of progress of investments, addressing implementation issues and alignment with global climate action goals. Clear indicators facilitate improved reporting from operational teams, clients and other stakeholders on project performance and the achievement of social and environmental outcomes.

Insufficient measurement and monitoring, the absence of results frameworks and ambiguous indicators that are fragmented among IFIs, inhibit the incorporation of climate adaptation aspects into project design. This imposes constraints on learning from climate adaptation projects and comparing results across institutions.

For example, in its Support for Action on Climate Change, 2011–2020,^{xi} IED-ADB notes that "climate components of projects had improved but that the performance was mixed for design, and weak for ambition and monitoring." Climate risk assessments are of a variable quality and have not always led to clear changes in project design. About half of the mitigation projects did not have indicators at the outcome level and this was even lower for adaptation projects. IED-ADB notes that prioritisation of climate finance over climate outcomes "may result in the unintended consequence of ADB not paying enough attention to climate adaptation."^{xii}

Mobilising

3

Concessional lending can be a successful instrument to tackle market failures and reduce risks.

There is a role for concessional lending to subsidise investments in the case of externalities (e.g., a carbon emission externality). Concessional lending can increase private returns on a socially optimal mitigation project to induce investment. Non-concessional lending is less successful in limiting the failure of carbon markets and does not mitigate the externalities. However, the use of concessional lending is also subject to limitations. Notably, compared to

climate mitigation, its use is more justified for climate adaptation– still a minority share of total climate finance– because the financial returns of adaptation projects are generally too low relative to their social returns.

For example, the Independent evaluation of the Green Climate Fund adaptation portfolio and approach notes^{xiii} “Concessionality is not yet differentiated across adaptation and mitigation projects ... Markets for mitigation investments in renewable energy and energy efficiency are relatively mature and require less concessionality in most contexts to allow a reasonable level of return. Adaptation, on the other hand, is, in the words of one interviewee, “where mitigation was 20 years ago”. Return-generating adaptation projects are scarce and these investments have a much larger viability gap.”

4 The IFIs’ role in promoting collaboration among development partners can reduce fragmentation and helps mobilise third party finance and cofinancing.

IFIs can promote collaboration among international development partners and act as the glue that facilitates sustained joint action. Reducing the fragmentation among donors, climate funds and other stakeholders ultimately results in increased mobilisation of third party finance and cofinancing. IFIs, particularly WBG, typically assume a coordinating role using policy-based operations. These are successful convening instruments and promote coordination among development partners, leading to agreement on common climate-related goals and policy actions. This is particularly important in mobilising finance for projects that support climate adaptation, which is a complex and multi sectoral challenge.

For instance, IEG-WBG’s Crisis Response and Resilience to Systemic Shocks^{xiv} states “Effective partnerships and coordination of international and local relief and development agencies is key to effective disaster response. This applies to all development assistance, but particularly after natural disasters when agencies are generally concerned with their visibility in the disaster relief effort, often to use it for fund raising. For example, an IEG-WBG evaluation found that in the aftermath of the tsunami in the Indonesian province of Aceh, about 10 agencies were providing new housing, each constructing houses to different standards and sizes. Not surprisingly, potential beneficiaries held off accepting new home proposals in the hope of securing a better and larger home from another agency.”

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5 Models centred on financial intermediaries (FIs), with capacity building activities or technical assistance, promote financial innovation and the mobilisation of climate finance.

Evaluations by IED-ADB and OVE-IADB demonstrate that knowledge sharing and capacity building by the IFIs for commercial banks leads to increased awareness and familiarity in the climate finance domain. Particularly, this helps financial intermediaries understand and recognise the costs and benefits of investments in RE and EE technologies. IFIs, typically, correct information asymmetries through developing incentives to credit officers to issue green loans, training financial intermediaries in the assessment of green loans, reducing project risks and costs for project assessment and measuring environmental impact.

For example, the Evaluation of OVE-IDB Group’s Work through Financial Intermediaries^{xv} acknowledges that FIs seem to value the IDB’s support in upgrading their environmental and social management systems, including their ability to classify and evaluate green loans. This partly derives from the FIs’ interest in developing environment-friendly market niches. OVE concludes that “the greatest potential was to be found in interventions that corrected information asymmetries or that promoted financial innovation. Given the novel, untested nature of many green projects, technical assistance (TA) to bridge knowledge gaps is relevant. The development of new instruments and products that reduce the transaction costs of evaluating green projects, standardise green products, or grant access to other financial agents (e.g., capital markets) seem to be key to expanding the market for small and medium green projects.”

6 Equity investments, guarantees, syndication, junior debt, support to green bonds, and blended finance can help mobilise private finance.

Evaluations by IED-ADB, EV-EIB, IEU-GCF, OVE-IADB and IEG-WBG show that by utilising these instruments, IFIs, typically, demonstrate that they have flexibility and high-risk appetite. This leads to changes in the risk perception of potential investors and the risk profile of these investments, which helps to de-risk investments and therefore stimulates private sector finance mobilisation.

For instance, evidence show that green bonds can promote green investments by lowering the cost of capital for such investments. Syndication on a programmatic basis performs well with sector-wide programmes to mobilise private financing, especially for grid rollout and off -grid investments. Similarly, the green bonds played an important role in educating potential issuers and investors, and in setting best

practices. The Evaluation of the EIB's Climate Awareness Bonds (CAB)^{xvi} recognises that EIB CABs brought volume and currency diversity to the market and played a role in attracting mainstream investors. EIB achieved this partly via a demonstration effect by providing “proof of concept” as well as a growing volume of examples and references for new issuers.

Transforming markets

7 Knowledge and expertise transmitted by the IFIs help to develop regulatory environments, leverage the private sector and scale up new RE technologies.

Deploying IFI knowledge and expertise when designing policies on moving from feed-in tariffs to RE auctions, access rollout planning, and introducing programmatic frameworks for mobilising financing, has led to the emergence of appropriate regulatory environments that could consistently leverage private finance and promote the use of innovative technologies. Additionally the scaling-up of RE is better ensured when there is long-term engagement with the country clients, addressing their needs for systems planning for variable RE technologies, analysis of RE technologies, energy storage and distributed generation.

More broadly, evidence shows that IFIs enable a suitable environment for investments through knowledge sharing, capacity building and technical assistance. Learning-by-doing and knowledge sharing on policy instruments and new technologies (for example RE technologies) enhance the ability of stakeholders and governments to invest in new technologies, stimulate the demand for clean technologies and reduce the demand for the more polluting technologies. Technical assistance helps authorities to integrate climate change mitigation and adaptation into their policies and channel funds in these directions, leading to change.

For example, in its performance assessment report on the Irrigated Agriculture Intensification III Project,^{xvii} IEG-WBG notes that “World Bank Task Team Leaders and other Bank specialist staff were key catalysts of innovation during project preparation and implementation, according to government staff. [...] Innovation was facilitated by a receptive culture. In the course of the projects, national participants showed an appreciation of potential new technologies, and the capacity and propensity to rapidly disseminate and implement such knowledge if seen to be successful. [...] The Bank has been more of a transmitter of knowledge [...]. Involved staff have played a proactive role in disseminating the concept of evapotranspiration-based water management, including through follow-on Bank projects.”

8

Sustained engagement (working side-by-side with authorities and providing frequent consultation) can help strengthen the authorities' commitment to mainstream climate change concerns in policy interventions.

Government commitment is not a given. IFIs can influence the degree of government commitment through sustained engagement, which requires long-lasting consultation and close partnerships with the authorities. Such engagement can lead to improved recognition and understanding of policy options and the potential of new technologies that could help to address challenges related to global warming.

This is imperative because improving the quality and efficiency of climate investments depends on the adoption of appropriate regulations and policies at the sector and country levels, the integration of RE in the power system and the availability of upstream diagnostics to assess and mitigate investment risks. In the absence of strong government commitment, these conditions are unlikely to materialise.

Finally, sustained engagement can help promote a receptive culture amongst authorities and increase their willingness to disseminate knowledge and expertise. This can make information (for example, on access to climate finance access, RE technologies, adaptation programs and Hydromet data) available to other countries and broader communities.

Please see below the example from the EBRD's hydropower interventions in Georgia.

9

IFIs can facilitate the promotion of carbon markets and pricing.

In the absence of IFI support via sharpened capacity building and technical assistance, many countries are unlikely to implement carbon prices that will be high enough to provide strong price signals to bring significant changes in emissions soon. Evidence shows that IFIs have a role to play in informing governments that carbon pricing is an additional source of revenue to them and thus help to promote a low-carbon development pathway. Additionally, IFIs can demonstrate that the private sector benefits from carbon markets and thus accelerate the leveraging of private sector investment into RE projects and technologies. This requires the identification and removal of any binding constraints at the country, market, or sector levels that limit the potential to improve the efficiency and effectiveness of the carbon pricing approaches and create an enabling environment for private sector solutions.

For example, the IEG-WBG, in *An Evaluation of the World Bank Group's Support to Carbon Finance*,^{xviii} notes that the WBG “contributed to the success of

carbon finance projects in achieving GHG emission reductions. Success factors included motivating Clean Development Mechanism projects; technical and financial support for challenging aspects of project design, validation, and verification; and serving as guaranteed buyer for projects to secure financial closure. [...] The capacity building for domestic market readiness has been slow but has developed robust programs which have started to deliver results measured by monitoring, reporting, and verification systems and national readiness plans.”

THE CASES FROM EBRD EVALUATIONS

EvD evaluations on climate finance unravel lessons that resonate with the rest of the IFI experiences screened for the purposes of this paper. Within a primarily private sector context, the cases of Solar Power Operations and Four Wind Energy Projects display the importance of market risk assessment as well as upstream diagnostics. Concurrently, the Bank’s interventions in hydropower and sustainable infrastructure demonstrate the key constituents of sustained engagement.



Solar Power Operations [forthcoming]

If investments in solar PV plants are not coupled with proportionate support to grid infrastructure, it is not possible to scale-up solar power generation sustainably.

In Jordan, Kazakhstan, and Uzbekistan, the EBRD invested in the development of national grid infrastructure. Where needed, technical cooperation focused on assessing the absorption capacity of grid infrastructure, which informed the EBRD’s engagement. This approach facilitated further investment in solar PV plants in these countries, which is important because solar is an intermittent power source. This creates challenges for countries without a flexible grid infrastructure that can accommodate intermittent power generation and the issue becomes more pronounced when solar becomes a prominent power source.

Under-investment in transmission systems or links increases the risk of curtailment, which is an important concern for investors as it is related to output purchase uncertainty. In Jordan, for example, the government suspended approvals of renewable energy projects in 2019, pending analysis of the grid’s technical capacity. Similarly, in Romania, the government capped the volume of renewable energy projects at 4,000MW, as without further support the grid could not accommodate more intermittent power generation.



Sustainable Infrastructure Operations in Advanced Transition Countries

Skin in the game can be a positive factor in achieving policy impact.

Consistent and targeted policy engagement, backed with a large investment portfolio, can be influential in the introduction of a stable, market-based regulatory framework while reversing adverse policy developments: between 2011 and 2015, the EBRD invested in nine on-shore wind farm projects in Poland, totalling more than €464 million. The common objective of these projects was to reduce Poland’s high carbon footprint and help it achieve the EU’s binding climate targets through renewable energy generation. However, in 2016 the Government introduced new regulations aimed at controlling the increasing cost of renewable energy; this included regulatory changes that were actively adverse to both existing and potential new wind farms.

This development led to commercial banks withdrawing from new wind power investments, causing financial difficulties for existing installations, endangering their viability. To address these issues, the EBRD intensified its policy engagement. Outside of what can be seen as a function of sound banking, the EBRD used its position to take a lead role in discussions with the authorities on the reversal of the most damaging changes, exerting further pressure by halting investment and planned TA funds in the interim. Ultimately, the EBRD’s efforts contributed to the reversal of the tax on windfarms in 2018 and to the overall transparency of the new auction system and its successful implementation. Auctions conducted in 2018-2019 showed that wind farms were the most competitive in terms of costs, with the prices of energy contracted through the auctions falling below the wholesale electricity price. The EBRD resumed investment in renewable energy in Poland in 2019.

Consistent and targeted policy engagement, backed with a large investment portfolio, can be influential in the introduction of a stable, market-based regulatory framework.



Hydropower Projects (HPP), Georgia

Local IFI presence, coupled with a functional and stable state, can lead to the successful transformation of the power sector through sustained engagement.

For the EBRD to be effective in Georgia, it needed (i) to establish a field position covering the energy sector, (ii) a transparent, liberalised and uncontested market structure, and (iii) state capacity to apply the market rules. The combination of these factors helped the EBRD to offer its services by leveraging private sector investments, facilitating Georgia's reconnection to its neighbours for electricity trading, and further modernising the power sector.

As mentioned before, sustained IFI engagement is a critical factor in nurturing government resolve and capacity. In the case of Georgia, the EBRD engaged throughout with the government, both formally and informally, for more than a decade to make sure that the required conditions were in place. Consequently, the EBRD undertook five projects in the first half of that period and 14 in the second half.

The power sector is closely intertwined with both the state and private sector. Capital markets are unable, and often unwilling, to provide long-term finance and bear the country risks. The evaluation showed that the EBRD's policy advice contributed to filling the critical financing gap in Georgia and, consequently, supported the successful transformation of the power sector.



Four Wind Energy Projects

If the support mechanism in place does not incorporate a reduction of payments to allow for falling costs in RE technologies, then it is more likely that the curtailment risk will materialise.

Wind farm operations are not viable without non-market pricing elements, requiring public resources and being susceptible to policy reversals. As maturing technologies reduce investment costs, while renewables reach a substantial share of the market, governments try to reduce their support, introducing market mechanisms and limiting the burden on state (or transmission company) budgets. This adversely affects the financial performance of wind farm operations.

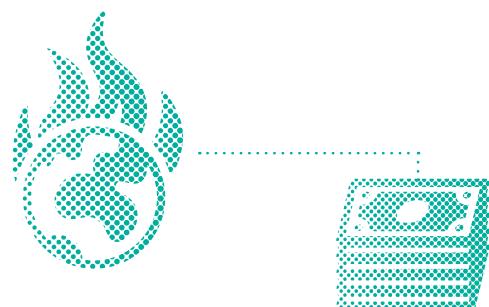
In recent years wind turbine prices have decreased by about 30 per cent, while those of photovoltaic cells fell by more than a half. This increases the risk that governments will curtail their support for renewable energy, particularly where the support mechanism in place does not incorporate a reduction of payments to allow for falling costs. Therefore, it is important to assess the sustainability of the existing support systems (including an analysis of whether falling costs will render schemes overly generous) at the onset of project design.

A PERSPECTIVE FOR TOMORROW

Get the data straight. A substantial number of the evaluations screened emphasised the importance of the availability of high quality data. Going forward, this strongly underpins the importance of measurement, monitoring and systematic and consistent use of results frameworks. In 2019, the UN Environment Programme reviewed the SDG indicators framework and saw that, due to a lack of data, it was only possible to assess progress in 30 out of the 93 indicators related to the environment.^{xix} Similarly, persistent gaps in climate-related data hinder the reliable and comparable assessment of financial stability risks, pricing and management of climate-related risks, and the benefit from opportunities arising from the transition to a low-carbon economy.^{xx}

IFIs have a key role to play. Lessons demonstrate the importance of IFIs as magnets that attract and bring together climate action stakeholders. Combined with knowledge and expertise transmitted by the IFIs, this facilitates continued joint action towards the development and adoption of regulations and policies and their alignment with global targets. Going forward, the IFIs' role as facilitators and knowledge brokers is likely to increase. This is because reaching net-zero emission in 2050 requires the introduction of a set of new technologies (for instance, carbon capture in cement production, direct air capture, solid-state battery, solid-state cooling, etc.), necessitating the development and introduction of a new set of regulations and policies.

Finally, evaluation needs to be much more agile. Many more lessons will have to be drawn in real-time from this experience. Reaching the target set for mid-century requires technologies that are not yet available on the market to be demonstrated very quickly in various regional contexts. This is in stark contrast to typical practice in technology development during which learning is usually transferred across consecutive iterations in different contexts to build confidence before widespread deployment commences.^{xxi}



Sources

Evaluation Department	Name of the evaluation
Lesson 1	
IDEV-AFDB	Spurring Local Socio-Economic Development Through Rural Electrification
IEG-WBG	Evaluation of the World Bank Group's Support for Electricity Supply from Renewable Energy Resources
IEG-WBG	Adapting to Climate Change: Assessing the World Bank Group Experience
IEG-WBG	Mongolia: Renewable Energy for Rural Access Project (REAP) (PPAR)
IEG-WBG	People's Republic of China Renewable Energy Development Project (PPAR)
Lesson 2	
IED-ADB	ADB Support for Action on Climate Change, 2011–2019 thematic evaluation
EV-EIB	Evaluation of EIB financing of Climate Action (mitigation) within the EU 2010-2014
EV-EIB	Evaluation of EIB's Energy Efficiency (EE) Financing in the EU from 2000 to 2011
IEU-GCF	Independent evaluation of the adaptation portfolio and approach of the Green Climate Fund
IEO-GEF	Evaluation of the operation of the Least Developed Countries Fund for adaptation to climate change 2009
IEG-WBG	World Bank Group Support to Electricity Access, FY2000-2014
IEG-WBG	Adapting to Climate Change: Assessing the World Bank Group Experience
Lesson 3	
IEU-GCF	Independent evaluation of the adaptation portfolio and approach of the Green Climate Fund
OVE-IADB	Evaluation of IADB group work through financial intermediaries green lending
Lesson 4	
IEG-WBG	Adapting to Climate Change: Assessing the World Bank Group Experience
IEG-WBG	Crisis Response and Resilience to Systemic Shocks: Lessons from IEG Evaluations
IEG-WBG	World Bank Group Engagement in Small States
IEG-WBG	Indonesia Climate Change Development Policy Loan
IEG-WBG	Latin America and Caribbean - Planning for Adaption to Global Climate Change Project
Lesson 5	
IED-ADB	People's Republic of China: Shandong Energy Efficiency and Emission Reduction Project
OVE-IADB	Evaluation of IADB group work through financial intermediaries green lending
Lesson 6	
IED-ADB	ADB Support for Action on Climate Change, 2011–2019 thematic evaluation
EV-EIB	Report Evaluation of the EIB's Climate Awareness Bonds (CABs)
IEU-GCF	Independent evaluation of the adaptation portfolio and approach of the Green Climate Fund
IEU-GCF	GCF Forward-Looking Performance Review of the Green Climate Fund (FPR)
OVE-IADB	Evaluation of IADB group work through financial intermediaries social and environmental safeguards
IEG-WBG	World Bank Group Support to Electricity Access, FY2000-2014
Lesson 7	
IED-ADB	Independent Evaluation 2020 Regional: Enhancing Readiness of ADB Developing Member Countries
IED-ADB	ADB Mitigating the Impacts of Climate Change and Natural Disasters for Better Quality Growth
EV-EIB	Evaluation of EIB financing of Climate Action (mitigation) within the EU 2010-2014
EV-EIB	Evaluation of Renewable Energy Projects in Europe 2008
IEU-GCF	Independent evaluation of the adaptation portfolio and approach of the Green Climate Fund
IEU-GCF	Evaluation of the Relevance and Effectiveness of the GCF's Investments in Small Island Developing States
IEO-GEF	Evaluation of the operation of the Least Developed Countries Fund for adaptation to climate change 2009
IEG-WBG	Evaluation of the World Bank Group's Support for Electricity Supply from Renewable Energy Resources
IEG-WBG	World Bank Group Support to Electricity Access, FY2000-2014
IEG-WBG	Carbon Markets for Greenhouse Gas Emission Reduction in a Warming World

Lesson 8	
IDEV-AFDB	Spurring Local Socio-Economic Development Through Rural Electrification
IEG-WBG	Evaluation of the World Bank Group's Support for Electricity Supply from Renewable Energy Resources
IEG-WBG	World Bank Group Support to Electricity Access, FY2000-2014
IEG-WBG	Adapting to Climate Change: Assessing the World Bank Group Experience
IEG-WBG	People's Republic of China: Irrigated Agriculture Intensification III Project
IEG-WBG	Latin America and Caribbean - Planning for Adaption to Global Climate Change Project
IEG-WBG	Armenia: Energy Efficiency Project (PPAR)
IEG-WBG	Mongolia: Renewable Energy for Rural Access Project (REAP) (PPAR)
Lesson 9	
IED-ADB	ADB Mitigating the Impacts of Climate Change and Natural Disasters for Better Quality Growth
IEG-WBG	Carbon Markets for Greenhouse Gas Emission Reduction in a Warming World

End note

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- ii. IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)]. In Press.
- iii. <https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2019/>
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- v. <https://www.ebrd.com/2020-joint-report-on-mdbs-climate-finance>
- vi. Development Assistance Committee. "Glossary of key terms in evaluation and results based management." Organisation for Economic Co-operation and Development, Paris (2002).
- vii. <https://unfccc.int/topics/climate-finance/the-big-picture/introduction-to-climate-finance>
- viii. These reports consisted of single project evaluations (including technical assistance operations), sector evaluation, country evaluations, or thematic evaluations. The WBG accounted for almost half of the total (30). EvD did not exclude any lesson based on criteria related to quality, clarity, usefulness, etc. Selection of the evaluation reports that speak about climate finance relied on a search of key words in publicly accessible evaluation databases of these institutions. These key words were renewable energy, energy efficiency, mitigation, adaptation, resilience, emission trading, carbon finance, carbon offsets, carbon credits, climate bond and green bond. Finally, EvD interpreted what a lesson is as flexible as possible. This is because majority of reports did not refer to explicit lessons as per the definition above. This issue was addressed by extracting lessons from findings, conclusions and recommendations sections of the reports.
- ix. <https://idev.afdb.org/sites/default/files/Evaluations/2020-03/Rural%20electrification%20%28En%29.pdf>
- x. <https://ieg.worldbankgroup.org/sites/default/files/Data/Evaluation/files/renewableenergy.pdf>
- xi. <https://www.adb.org/sites/default/files/evaluation-document/640341/files/te-climate-change.pdf>
- xii. UNFCCC's Glossary of climate change acronyms and terms define mitigation and adaptation as follows: Mitigation refers to human intervention to reduce the sources or enhance the sinks of greenhouse gases. Examples include using fossil fuels more efficiently for industrial processes or electricity generation, switching to solar energy or wind power, improving the insulation of buildings, and expanding forests and other "sinks" to remove greater amounts of carbon dioxide from the atmosphere. Adaptation refers to any adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.
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