



# MIGA SUSTAINABILITY REPORT 2023



Highlighting MIGA's Third Report  
under the Task Force on Climate-Related  
Financial Disclosures

# Table of contents

---

A Foreword from Hiroshi Matano	03
--------------------------------	----

---

## Introduction 05

Introduction from Ethiopis Tafara	05
Highlights	08

---

## Scaling Up MIGA's Work on Climate & Development 09

Mainstreaming climate action	10
Greening the financial sector through MIGA's project work	11
MIGA projects supporting economic growth and low carbon development	14
The World Bank Group: Innovating Solutions to Bridge the Energy Access Gap	17

---

## Making Climate Action Count 19

Aligning Operations with the Goals of the Paris Agreement	21
MIGA's Climate Action Journey	23
Emerging Messages from Country Climate and Development Reports	25
Mind the Gap: Private sector climate adaptation finance	27
Working with the private sector to integrate climate with development: A Conversation with James Magor From Actis	30

---

## Delivering Development Impact for a Livable Planet 33

E&S engagement is creating value for clients and communities	38
MIGA's Role in Protecting Biodiversity: A Conversation with Sally Johnson	42
Fostering MIGA's E&S Accountability	45
Mainstreaming Gender for a Sustainable, Resilient and Inclusive Future	46

---

## Report Under the Task Force on Climate-Related Financial Disclosures 53

---

Who We Are	65
------------	----

Contact Information	66
---------------------	----

# A FOREWORD FROM HIROSHI MATANO

EXECUTIVE VICE PRESIDENT



It is my privilege to introduce MIGA's Sustainability Report 2023, which comes at a decisive juncture for the global community, the World Bank, IFC and MIGA. In September, the United Nations published its first official assessment of the collective progress on addressing climate change since the 2015 groundbreaking Paris Agreement, in which virtually every country agreed to pursue efforts to hold global warming to 1.5 degrees Celsius above pre-industrial levels.

The stocktake does not mince words: "The window to keep limiting warming to 1.5 °C within reach is closing rapidly, and progress is still inadequate based on the best available science." In fact, we can see and feel the impact of climate change in our own lives and on people and our planet in the multiplying examples of extreme heat, wildfires, droughts and flooding. The report's technical findings clearly set out the urgent need for more to be done by all actors, as well as the dire consequences if we fail to act boldly now.

The World Bank Group has been doing its own stocktake to assess our contribution to tackling the many global challenges facing our clients and client countries, including climate change and sustainability. The World Bank Group can count many areas of progress and impact, starting with **its role as the leading provider of climate-related development finance; the launch of groundbreaking individual Country Climate and Development Reports** that recommend critical actions to tackle climate change and, since July 1st, 2023, **alignment of new projects with the goals of the Paris Agreement.**

Nonetheless, we recognize that, as time is of the essence, we must act with greater speed and scale to deliver impact that also includes a prominent role for the private sector. This is encapsulated in our efforts to evolve into a better institution and to meet the emergencies of poverty and the growing number of global challenges. To match this ambition, the World Bank Group is suggesting a new vision that would aim to create a world free of poverty on a livable planet. This new vision would be the first time the World Bank Group would have a formal mandate both to fight poverty and to address global challenges. We will do this, in part, by strengthening inclusion, resilience and sustainability.

The dialogue around a new vision and mission are driving change at MIGA. Inspired by the leadership of the World Bank Group's new president, Ajay Banga, we are working to rapidly ramp up private capital for mitigation and adaptation finance, where trillions of dollars of investment will be required annually to make progress on our climate goals. We are exploring the application of new guarantee products that will, for example, help mitigate non-commercial risks to encourage investment in the nascent carbon credits markets, and that will help provide private insurance against climate risks in MIGA-supported projects. To address climate resilience in developing countries,

where the private sector is sorely needed, we are scaling up opportunities to increase access to adaptation finance through partnerships with national development banks, regional development banks, private commercial banks and public-private partnerships.

At MIGA our sustainability journey is ongoing, but it is changing to meet the stark challenges facing the global community. We hope this Sustainability Report, and the accompanying **Report Under the Task Force on Climate-Related Financial Disclosures**, provides you with more insight into our ongoing work and the direction, scale and urgency that we bring to our new vision and mission. As a guarantor rather than a direct provider of development finance, MIGA is especially aware that we cannot achieve our sustainability goals without collaboration and partnership. Please delve into our Sustainability Report, but also consider it an invitation to reach out to us if you share our ambition, vision and mission and wish to join our journey to achieve a world free of poverty on a livable planet for all.

---

We recognize that, as time is of the essence, we must act with greater speed and scale to deliver impact that also includes a prominent role for the private sector.

---





# INTRODUCTION FROM ETHIOPIS TAFARA

VICE PRESIDENT AND CHIEF RISK, LEGAL AND SUSTAINABILITY  
OFFICER AND PARTNERSHIPS, MIGA

MIGA's commitment to sustainable development is stronger than ever. Since launching our first Sustainability Report in FY21, our resolve to tackle climate change, environmental degradation and inequality, in partnership with our clients and stakeholders, has been tested. The world is contending with the severe disruption caused by the COVID-19 global pandemic, a food and energy crisis, growing conflict and fragility across the globe, and more frequent and severe climate events. In the wake of these overlapping crises, we have doubled down on our effort to realize tangible progress in sustainability.

For example, in FY23, MIGA:



**Directly mobilized a record \$1.5 billion in climate finance**—a 34 percent increase from FY22—with 80 percent of our projects delivering climate finance co-benefits;



**Increased our impact** by (i) enabling the “greening” of small and medium-sized enterprises in six Eastern European countries, (ii) advancing gender-smart climate interventions in Colombia, (iii) enhancing technical capacity to help deliver biodiversity and carbon crediting in an agroforestry project in Lao PDR; and



**Incentivized more client programs designed to close specific gender gaps** than in the two previous years combined, including our first in a fragile and conflict-affected situation.

We are proud of the 41 projects in 29 countries and the West Bank and Gaza that we delivered in FY23, but our impact extended well beyond these specific projects. Notably, in one of the most comprehensive efforts to connect climate change action with development, MIGA in collaboration with our World Bank Group colleagues developed the principles and methodologies that will guide our teams in assessing the alignment of our projects with the Paris Agreement’s objectives of low greenhouse gas emissions and climate-resilient development pathways. **MIGA will begin applying these approaches to align at least 85 percent of our new projects with the objectives of the Paris Agreement, beginning July 1, 2023, and 100 percent of our new projects, beginning July 1, 2025.**

Our work in aligning our projects with the objectives of the Paris Agreement is based on leading-edge technical foundations. We have collaborated with other multilateral development banks (MDBs) to agree a Joint MDB Paris alignment approach, as well as developed our own World Bank Group sectoral approaches, providing the specifics on how we will tackle the underlying assessments across all the industries in which we work. To support our clients, partners and communities to continue to evolve their own sustainability frameworks, we have published these materials—thereby providing a unique global public good.

---

To address the thorniest global sustainability challenges, we are committed to being bolder, quicker and smarter, especially in seizing the opportunity to work collaboratively with the private sector.

---

**MIGA also reached out to its clients in FY23, especially financial institutions whose lending policies can have an outsized impact on scaling up green approaches, to discuss how they could lead by aligning with the goals of the Paris Agreement.** As part of this effort, we gathered real-time feedback to see how, collectively, we can move towards convergence of industry practices. To further appreciate this engagement, I invite you to watch [a conversation with our partners](#) that took place at the Summit for a New Global Financial Pact in France in June 2023.

We are cognizant that our knowledge work alone cannot close the cavernous financing gap needed to meet the 2030 Sustainable Development Goals. We must combine knowledge with financing, especially by tapping into some of the trillions of dollars in the hands of private capital providers. As part of the World Bank Group’s transformation that MIGA’s Executive Vice President, Hiroshi Matano, noted in his Foreword, we are working to:

- **Increase the volume of bankable projects** aligned with the goals of the Paris Agreement by supporting countries' pro-private sector policies, scaling up our work on project preparation and the potential for public-private partnerships;
- **Crowd in at scale institutional investors through creative use of risk mitigation instruments**, including innovative applications of MIGA guarantees; and
- **Optimize the use of concessional resources for mobilizing private sector finance** to ensure that these funds provide the maximum multiplier effect to achieve the Sustainable Development Goals.

To address the thorniest global sustainability challenges, we are committed to working boldly, quickly and intelligently, especially by seizing the opportunity to partner collaboratively with the private sector. Let me briefly note three targeted ways in which we are already following through on this pledge.

- **First, President Banga has launched the Private Sector Investment Lab**, a group of 15 senior business and finance leaders who will work with the World Bank Group to help identify and address the barriers that limit private sector investment in developing countries. Initially, the focus will be on renewable energy and energy infrastructure as well as the role of risk mitigation instruments, including guarantees, and blended finance.
- **Second, because the poorest are the most vulnerable to climate change, MIGA is working to mobilize more private finance to scale up climate adaptation, resilience and preparedness. Mobilizing private finance for climate resilience and preparedness** is more challenging than scaling up climate finance for mitigation. As a result, MIGA has identified eight action points for scaling up adaptation and resilience finance for its work in FY24. As part of this effort, MIGA is working with its private sector clients to make the case that financing in support of climate resilience goes hand in hand with enhancing business success and brand value. [In our Conversation with James Magor](#), Director of Sustainability at Actis, a long-standing partner of MIGA's, he shares his experience as to how investing in climate resilience can not only safeguard but also enhance shareholder value.
- **Third, MIGA will be progressing its approach to support solutions and mobilize finance to halt and reverse biodiversity loss in partnership with governments and the private sector.** As part of this effort, we are working with World Bank and IFC colleagues to develop a methodology to track nature-based investments. We are already privileged to be supported in our work by noted biodiversity specialists, such as Sally Johnson, who [in our conversation](#) provides a unique perspective on the evolution of the field and offers insights into how devel-

opments in this area are likely to impact private and public sector business strategies going forward.

In the pages that follow, we share our accomplishments but also the challenges we have faced in our journey to integrate sustainability and development. As MIGA celebrates its 35th year, we are acutely aware that we need to do more to scale up our impact and strengthen our outcomes. To do so, we will need to enhance collaboration and work more effectively with partners who share our vision and who want to learn from us as much as we want to learn from them. While we are encouraged by what we have achieved, we know that the task and the times ahead require even more.



# Highlights of MIGA's Sustainability Achievements for FY23

**\$1.5B**  
Climate Finance  
guarantees—  
a record



**1ST**  
Gender Action Plan  
in a **conflict-**  
**affected** situation



**80%**  
of **projects delivered**  
Climate Finance



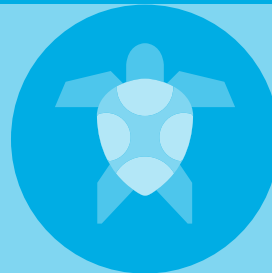
**1ST**  
MDB Principles for  
Assessment of Paris  
Alignment disclosed



**1ST**  
Project in **Somalia**;  
it supported  
renewable energy



**1ST**  
Technical assistance  
grant to enhance  
project **biodiversity**  
& **climate outcomes**



**25**  
World Bank Country  
Climate & Devel-  
opment **Reports**  
**published**



**1ST**  
Climate Adaptation  
Finance project with  
national **African**  
**development**  
**finance institution**



**100%**  
of **real sector**  
**projects screened**  
for gender-based  
violence risks





# SCALING UP MIGA'S WORK ON CLIMATE AND DEVELOPMENT



# Mainstreaming climate action

---

## MIGA supported 32 projects<sup>1</sup> with climate mitigation or adaptation and resilience benefits in FY23.

- MIGA provided guarantees for climate mitigation or climate adaptation and resilience totaling \$1.5 billion— an increase from \$1.1 billion in FY22, marking the highest climate finance volume in MIGA's history.
- Climate finance accounted for 28 percent of MIGA's guaranteed investments, which matches the 28 percent achieved in FY22.<sup>2</sup>
- Climate finance projects spanned 23 countries and the West Bank and Gaza across four regions: Sub-Saharan Africa (SSA), Middle East and North Africa (MNA), Latin America and the Caribbean (LAC), and Europe and Central Asia (ECA).
- Of the climate finance projects enabled by MIGA guarantees, 19 percent supported projects in fragile and conflict-affected situations, with 28 percent in countries eligible for receiving assistance through the World Bank's International Development Association (IDA), which serves the world's poorest countries.
- Among MIGA's 32 climate finance projects, 72 percent guaranteed equity or equity-like investments while the remainder guaranteed debt instruments.
- MIGA mobilized a total of \$1.8 billion in private sector equity and debt through its climate finance guarantees in FY23; MIGA further crowded in private capital by reinsuring a portion of its climate finance guarantees in the private reinsurance market.
- The 32 projects signed in FY23 will help avoid an estimated 826,464 tons of carbon dioxide equivalent emissions (tCO<sub>2</sub>e) per year.

---

1. One of the projects is in the West Bank and administered under MIGA's West Bank and Gaza Trust Fund.

2. Until FY21, climate finance exposures were reported as a percentage of the total gross issuance volume. From FY22 onwards, MIGA modified the methodology for climate finance reporting to align more closely with the MDB private capital mobilization methodology. MIGA now computes climate finance as a percentage of the underlying loan or equity investment guaranteed, as opposed to the entire guaranteed exposure. Under the previous methodology, in FY23 the dollar value of MIGA's total climate finance would have been somewhat higher, with the overall percentage somewhat lower.



# Greening the financial sector through MIGA's project work

---

In FY23, 46 percent of the climate finance delivered through MIGA-guaranteed projects supported “greening” financial institutions across the LAC, ECA, SSA, and the MNA regions. Engagement with financial clients for climate activities was executed through two MIGA guarantee products: capital optimization for private sector financial institutions and non-honoring of sovereign financial obligations, available to eligible public sector institutions.

Overall, MIGA guaranteed 20 transactions supporting the financial sector in developing countries, totaling \$3.1 billion, including \$705 million for climate finance. MIGA also offered technical support to financial institutions to accelerate climate commitments and incorporate climate actions into business practices. Three MIGA-supported climate finance projects in the financial sector are highlighted below.

---

Working in partnership with financial institutions across the globe, MIGA can make a tangible difference in improving the lives of people and in preserving a livable planet.

**Hiroshi Matano**  
Executive Vice President, MIGA

---



## Botswana

MIGA's partnership with the Botswana Development Corporation (BDC), the leading development finance institution in Botswana, is expected to enhance the climate resilience of the country's private sector. BDC will use 100 percent of a \$52 million long-term loan from Commerzbank Aktiengesellschaft, guaranteed by MIGA's non-honoring of a financial obligation by a state-owned enterprise (NHFO-SOE) instrument, for climate mitigation and climate adaptation projects in the Botswana private sector. These loans from BDC to the private sector will diversify the economy, reducing its reliance on diamonds, and enhance climate resilience—an example of how MIGA collaborates with partners in the public and private sectors to magnify “win-win” outcomes by connecting development and climate action.

MIGA is playing a pivotal role in supporting BDC's transition towards embedding climate considerations into its lending practices in a country that is particularly vulnerable to the effects of climate change, especially water availability, changing precipitation patterns, and increasing population demands. The program that has been developed between MIGA and BDC is fully consistent with Botswana's Intended Nationally Determined Contribution (“INDC”) and its National Adaptation Plan Framework, which specifically calls for Botswana's development banks to finance adaptation projects as part of the larger plan to engage and leverage the private sector for positive climate outcomes. This project is expected to have a “demonstration effect” on other credit institutions in the country, providing an example of how to better integrate climate adaptation finance into the financial system.

MIGA will work to support BDC in building its approach to mainstreaming climate adaptation finance in its lending operations. MIGA's support is expected to include capacity building activities focused on climate risk methodologies. BDC's climate adaptation activities will focus on activities that integrate measures to manage physical climate risks in projects to ensure that the intended objectives are realized—an increasingly urgent goal in responding to the accelerating impacts of climate change.

---

**BDC's loans to the private sector will help enhance climate resilience and foster economic diversification —an example of how MIGA, partnering with the public and private sectors, can magnify “win-win” outcomes for climate and development.**

**Junaid Ahmad**  
Vice President, MIGA, Operations

---



## Argentina

Argentina is highly vulnerable to climate change, mainly due to risks from droughts and floods. Over the last year, Argentina has been experiencing a severe drought which has crippled agricultural output resulting in a projected contraction of GDP of 2.5 percent in 2023, according to the International Monetary Fund (IMF). In FY23, MIGA, working closely with its long-standing client—Banco Santander S.A. and its subsidiary in Argentina—increased an existing capital optimization guarantee, a special application of MIGA’s political risk insurance (PRI) instrument, that enables the expansion of lending by Banco Santander Argentina. The increase of \$100 million in the guarantee amount will be directed on a best-efforts basis to support lending for climate finance in the country with an emphasis on renewable energy and sustainable agriculture projects. These activities are aligned with the country’s new 2022 Climate Change Adaptation and Mitigation Plan which focuses on expanding renewable energy, agro-ecology and sustainable transport; controlling deforestation and conserving natural ecosystems; and improving livestock practices.

Although MIGA has provided guarantees in the past to support Santander Argentina’s climate finance lending, MIGA, in line with its strategy of helping “green financial systems,” is deepening its engagement. As part of MIGA’s strong and continuing partnership, Santander Argentina is planning to implement enhanced procedures for screening and reporting climate finance. MIGA is also providing support to build Banco Santander Argentina’s internal capacity to help address climate change.

## Colombia

Also in Latin America, MIGA worked to help support the climate aspirations of Financiera de Desarrollo Territorial S.A (Findeter), a client it has worked with previously. Reflecting Findeter’s public sector role, MIGA deployed its credit enhancement guarantee (NHFO-SOE) to unlock JP Morgan’s commercial loan of almost \$135 million to this Colombian development bank. Of the loan proceeds, a large portion will be used by Findeter to finance climate infrastructure projects with an emphasis on renewable energy, energy efficiency, sustainable public transport, and water and sanitation. These projects will help Colombia diversify its energy mix and reduce climate risks while fostering green and inclusive economic growth.

Findeter is a signatory member to Colombia’s Green Protocol, a voluntary framework with guidelines that aim to promote green finance. Its principles include best practice approaches for climate risk management and the development of new financial activities and products targeted at green-oriented development in the country. In support of these effort, MIGA will work with Findeter to help put in place a process to track and report on climate-related investments.



# MIGA projects supporting economic growth and low carbon development

---

FY23 saw 54 percent of climate finance from MIGA-guaranteed projects supporting real sector projects across LAC, ECA, SSA, and the MNA regions. MIGA's guarantees supported projects delivering climate finance in each of MIGA's three real sector divisions: Energy and Extractive Industries (26 percent of climate finance); Infrastructure (18 percent of climate finance); and Manufacturing, Agriculture, and Services (10 percent of climate finance).

Across the 15 projects with climate finance MIGA supported in the real sector, one was provided through MIGA's Non-Honoring of Financial Obligations products, with the remaining projects supported by MIGA's political risk insurance product. By number of climate finance projects, MIGA's real sector projects were concentrated in SSA, where MIGA delivered nine climate finance projects. In total, in the real sector, MIGA delivered \$826 million in climate finance. Three MIGA-supported climate finance projects in the real sector are highlighted below.





## Democratic Republic of Congo

Off-grid solar power is a promising technology to bridge the electricity access gap in rural areas without grid-connected power. MIGA is partnering with Bboxx, an innovative company operating in Africa, to expand access to this technology. In FY23, MIGA expanded this collaboration, supporting Bboxx's operations in the **Democratic Republic of Congo (DRC)** through political risk insurance cover to the Facility for Energy Inclusion's Off-Grid Energy Access Fund (FEI-OGEF LP). Bboxx aims to increase access to affordable and reliable clean energy, boost economic growth, reduce GHG emissions, and create jobs through decentralized solar-powered systems. Individual solar home systems include equipment such as lights, television, and refrigerators. Bboxx is also promoting clean cooking, an urgent development issue with significant benefits for public health, gender equality, the local environment and the global climate, through liquified petroleum gas and small gas burner products. (See [The World Bank Group: Innovating Solutions to Bridge the Energy Access Gap](#)).



## Mexico

**Mexico's** updated 2022 Nationally Determined Contribution—the country's climate action plan to cut emissions and adapt to climate impacts, under the Paris Agreement—emphasizes the modernization of existing hydro power plants. In FY23, MIGA collaborated with Comisión Federal de Electricidad (CFE), Mexico's state-owned integrated utility, deploying a MIGA NHFO-SOE to successfully secure long-term financing of 15 years from two private sector commercial banks (JPMorgan Chase Bank, N.A. and Hongkong and Shanghai Banking Corporation Limited) for the project. The proceeds of the underlying project loan of \$326 million covered the modernization of seven existing large hydropower plants. The modernization of the seven hydro-power plants will enable an increase in renewable energy generation by 113 MW, producing about 1,426 GWh of additional electricity per year and preventing more than 500,000 tons of CO<sub>2</sub>e emissions annually. Additionally, the operational lifespan of the HPPs will be extended by decades—potentially up to 40 years.

Hydropower is sensitive to water availability, including water scarcity and potential flood risk. In Latin America, water resources are vulnerable to climate change, which could reduce dry season hydropower potential. When combined with the challenge of deforestation, climate change can significantly heighten the inter-annual variability of hydropower generation. The locations of the seven HPPs indicate that they are not at risk from droughts and water scarcity, and the modernized turbines will be more resilient to increased water flow. As part of the Environmental and Social Action Plan (ESAP) agreed between MIGA and CFE, CFE will develop and implement Emergency Response Plans for each of the seven HPPs, addressing risks from extreme rainfall, floods, and landslides, and adopting relevant measures to mitigate these risks.



## Kenya, Namibia

In SSA, MIGA continued its partnership with Kasada Hospitality Fund, supporting its equity investments aimed at refurbishing, or acquiring new hotels, that meet green building standards. In FY23, MIGA signed three additional political risk insurance contracts with Kasada under a master contract signed in FY21, bringing the total number of individual guarantee contracts signed by the end of FY23 to 12, with a total gross issuance of \$125.5 million. Kasada aims to establish a portfolio of over 20 hotels (estimated at 4,000 hotel keys), requiring a total investment of \$1 billion, comprised of both equity and debt.

Kasada is committed to achieving “green-building” certification for each of its MIGA-supported facilities. Both hotels are expected to be certified as Green Buildings according to International Finance Corporation (IFC)'s EDGE standard. This certification necessitates achieving a minimum of 20 percent energy, water, and “embodied energy” savings in materials compared to a conventional building in the country. Kasada Hospitality Fund is a private equity fund established by Accor, the 6th largest hotel management company in the world, and Qatar Investment Authority, Qatar's Sovereign Wealth Fund.

The projects supported by MIGA in FY23 provide MIGA's political risk insurance for two hotels: one in Nairobi, **Kenya** (\$25 million covering equity and \$3 million covering a shareholder loan); and the second in Windhoek, **Namibia** (\$18 million covering equity). All three contracts cover the risks of Expropriation, Transfer Restriction, and War and Civil Disturbance, with coverage periods of up to 15 years for the two contracts covering equity, and five years for the one contract covering the shareholder loan. Both hotels are expected to achieve EDGE certification. These investments mark Kasada Hospitality Fund's initial ventures with MIGA in these two countries; its existing MIGA-supported investments are in **Côte d'Ivoire, Cameroon, and Senegal**.



# The World Bank Group: Innovating Solutions to Bridge the Energy Access Gap

Sustainable Development Goal 7 aims to ensure access to affordable, reliable, sustainable, and modern energy for all by 2030. However, the World Bank estimates that, at the current rate of electrification, over half a billion people in SSA will still lack electricity access in 2030. To meet Sustainable Development Goal 7, the current rate of electrification would need to triple.

The World Bank has put forward that decentralized renewable energy (DRE) represents the swiftest and most cost-effective way to accelerate electricity access in rural areas, particularly in Fragility, Conflict, and Violence settings. DRE systems typically involve solar photovoltaic stations paired with battery storage. They can be easily installed, are dependable, and do not require the large investment needed to build a utility-scale power plant. Nonetheless, national grids, interconnected regionally through financially viable utilities, will continue to play a central role in achieving universal energy access, especially in urban, peri-urban, and relatively nearby rural areas.

Enabling electricity access through DRE requires a different approach than traditional infrastructure investments in national grids. An innovative approach is also needed to accelerate mini-grid and off-grid solar markets. In response to this urgency, the World Bank Group initiative, **Distributed Access through Renewable Energy Scale-Up Platform (DARES)**, has selected nine focus countries.\* DARES calls for collaborative efforts between governments, private investors, and development agencies to address Africa's immediate power requirements and amplify the development of distributed generation solutions.

For MIGA, successful execution of DARES hinges on partnerships with "patient" capital investors and enhanced collaboration with IDA, IBRD, IFC, and other MDBs to overcome barriers to private sector involvement. These strategies must be coupled with blended finance and donor support to unleash MIGA's innovative risk mitigation tools and expertise, particularly in the most challenging markets.



Concretely, MIGA's approach underscores:

- **Innovative** risk-mitigation solutions tailored to address the **distinct risks** associated with distributed energy and **underserved segments**, while spurring **private sector** engagement;
- **Partnerships** with **patient capital** investors and **impact investors** to facilitate **scale**, project aggregation, and **transactional efficiency**;
- **Technical assistance** and **capacity building** to champion best practices and augment development outcomes;
- **Targeted grants** to enhance financial sustainability and **amplify development impact**;
- Blended finance-facilitated **risk-sharing arrangements** to expand MIGA's influence and reach; and
- Robust collaboration with IDA, IBRD and IFC to **jointly create**, **scale**, and replicate **innovative solutions**.

DRC is among the countries where DARES is being launched, and the challenge is particularly pressing. Only 19 percent of DRC's 108 million people have access to electricity – roughly 41 percent in urban areas and just 1 percent in rural regions, according to World Bank Group estimates. Working from a unified implementation plan, the World Bank Group aims to:

- **Expand mini-grid construction** through market-driven private sector approaches;
- Accelerate off-grid solar markets by **expanding the sale of off-grid solar products**;
- Electrify schools and healthcare facilities **with solar PV systems**;
- **Empower farmers** by advocating for DRE solutions to enhance **food security**; and
- Harness commercial and industrial customers to replace diesel with **sustainable mini grids**.

MIGA is enhancing its guarantees to support off-grid initiatives in DRC (as exemplified by the Bboxx project) by building upon the groundwork laid by IDA and IBRD to enhance the enabling environment for off-grid solutions and leveraging IFC's Scaling Mini-Grid program in DRC. MIGA is working to establish a robust pipeline of bankable private sector projects to begin to close the energy access gap sustainably in DRC and across SSA.

\*The nine countries are Central African Republic, Chad, DRC, Ethiopia, Liberia, Mozambique, Niger, Nigeria, and Uganda.

---

We need to turn energy access from a roadblock to the driver of green, resilient and inclusive development. MIGA's support for off-grid and mini-grid projects is helping to power change.

**Hiroshi Matano**  
Executive Vice President, MIGA

---

# MAKING CLIMATE ACTION COUNT



The World Bank Group is midway through its 2021–2025 Climate Change Action Plan (CCAP), which is focused on green, resilient, and inclusive development. This ambitious CCAP is continuing to drive the World Bank Group to achieve substantial climate-positive results for partner countries and clients. Noteworthy is MIGA's progress under the CCAP in: (i) aligning our operations with the goals of the Paris Agreement; (ii) delivering record volumes of climate finance; (iii) enhancing country-level climate diagnostics through the World Bank Group Country Climate and Development Reports (CCDRs); and scaling up our approach to climate adaptation and resilience finance. These four areas of MIGA's work are explored in greater depth in this year's Sustainability Report, and we also share our conversation with James Magor, Director of Sustainability at Actis, a valued MIGA client. He shares the firm's dynamic approach to the climate change challenge.

## Implementing the CCAP: Progress Report, 2021–2023

1

Preparing for Paris Alignment with publicly disclosed approach

2

Actioned \$4 bn in climate finance in first three years of CCAP

3

Launched Country Climate & Development Reports in 29 countries

4

Scaling up Climate Adaption/ Resilience Finance in Projects

# Aligning Operations with the Goals of the Paris Agreement

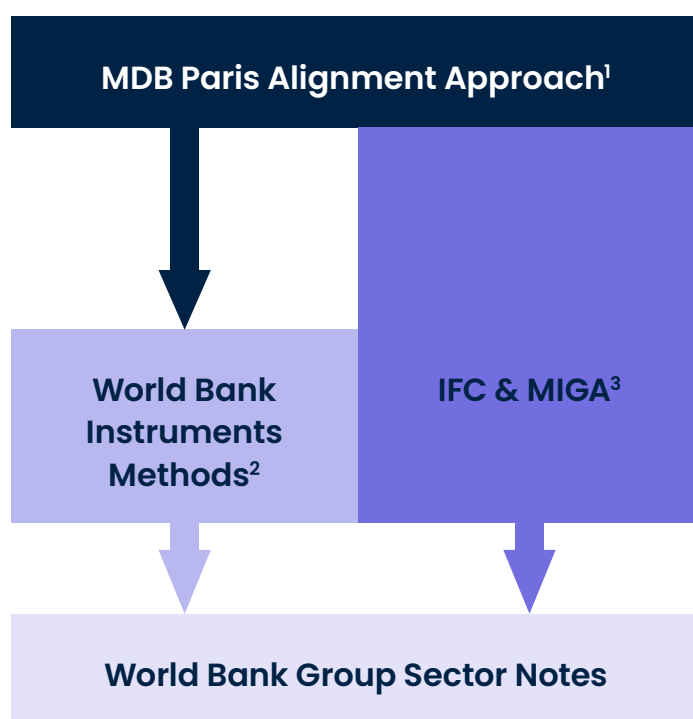
The World Bank Group has supported the goals of the Paris Agreement since its signing in 2015. The commitment to align World Bank Group operations with the goals of the Paris Agreement was made at the time of the launch of the World Bank Group 2021–2025 CCAP in June 2021. MIGA affirmed that, starting on July 1, 2023, 85 percent of new operations would be aligned with the Paris Agreement’s low carbon and climate-resilience goals and, beginning on July 1, 2025, 100 percent of MIGA’s new operations would align with these goals. A similar commitment was made by IFC, while IBRD and IDA will align all new financing operations approved from July 1, 2023.<sup>1</sup>

A foundational assumption underlying the World Bank Group’s approach to Paris Alignment is that individual countries have the flexibility to define their contributions to the central goals of the Paris Agreement. **This principle aligns with a core tenet of the Paris Agreement, which acknowledges that countries possess distinct needs and circumstances in integrating climate and development objectives.** This recognition extends to variations in the timeline for peaking greenhouse gas emissions in developing countries.<sup>2</sup> Moreover, it acknowledges that each country has both shared and distinct responsibilities and capabilities based on their unique national contexts.<sup>3</sup> Furthermore, the World Bank Group’s commitment to Paris Alignment is closely intertwined with the evolving climate strategies of countries, as reflected in their Nationally Determined Contributions, long-term strategies, and national adaptation plans. As a result, the Paris Alignment assessments carried out by MIGA for each operation will be tailored to the operation’s specifics, considering the project’s context, developmental objectives, and timing.

In the process of aligning MIGA’s operations with the goals of the Paris Agreement, there is a focus on assessing, managing, and mitigating climate risks within projects, as needed. To achieve this, MIGA will apply the Joint MDB Paris Alignment Methodological Principles across its guarantee operations. This collaborative approach, developed and embraced by ten MDBs, serves as a framework for each MDB to then formulate

its own unique methods, as it sees appropriate. The World Bank Group offers additional support for aligning its operations with the Paris Agreement through sector-specific notes that will be applied across the institution. **These World Bank Group Sector Notes provide guidance to MIGA’s project teams, showing how the Joint MDB Paris Alignment Methodological Principles relate to sector-specific considerations** (see Figure 1). This guidance integrates specific country and project development contexts, both in the public and private sectors, and factors in feasibility, particularly in private sector operations at MIGA and IFC, where feasibility implies being “commercially available and financially viable.” [The Joint MDB Paris Alignment Methodological Principles](#) and [the World Bank Group Sector Notes](#) are publicly accessible.

**Figure 1**  
The World Bank Group’s Architecture on Paris Alignment



1. The difference of two years in MIGA and IFC’s goal of achieving 100 percent alignment with the goals of the Paris Agreement reflects the longer lead time needed for developing and supporting projects with private sector participation.

2. Article 4.1 states: “In order to achieve the long-term temperature goal set out in Article 2, Parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties...”

3. Article 2.2 provides that “This Agreement will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.”

1. Direct Investment Lending, Policy-Based Lending, Intermediate Financing (FI), and General Corporate Financing

2. For Investment Project Lending, Development Policy Financing, and Program-for-Results Financing

3. For Direct Investment Operations, FI, and General Corporate Financing

Source: World Bank Group.

The 11 sector notes cover the following areas of engagement



1

Agriculture and Food

2

Education

3

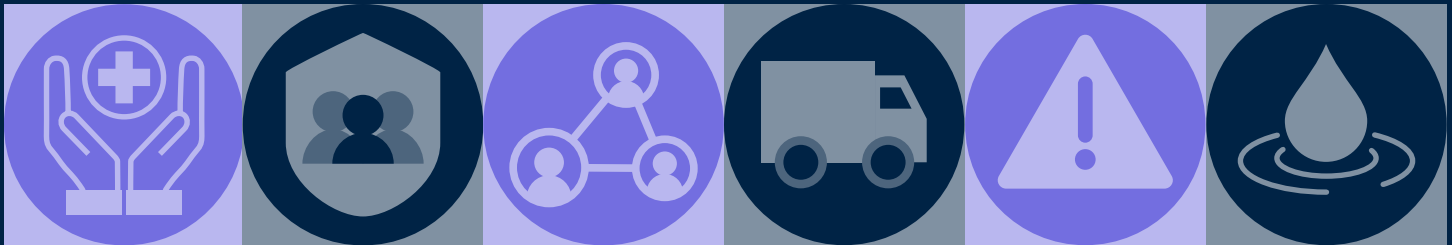
Energy and Extractives

4

Environment, Natural Resources and Blue Economy

5

Digital Development



6

Health, Nutrition and Population

7

Social Protection and Jobs

8

Social Sustainability and Inclusion

9

Transport

10

Urban, Resilience, Disaster Risk Management, and Land Sector

11

Water

The outcome of MIGA's Paris Alignment assessments, and all Paris Alignment assessments of World Bank Group operations, is for the operation to be designated as "aligned" or "non-aligned." For a positive assessment, all the operation's activities need to be assessed as aligned. Alignment is also required across both mitigation and adaptation-resilience dimensions. Mining thermal coal, generating electricity from coal, extracting peat, and generating electricity from peat are all considered as Universally Non-Aligned activities in the Joint MDB Paris Alignment Methodological Principles. A MIGA client also may be required to adopt measures, before and during the period of the guarantee, to achieve alignment if this is needed. It is important to note:

- the outcome of the assessment is an expert judgment;
- the outcome is based on information available at the time of the assessment, and this is expected to change over time as technologies, costs, capacities, policies, and consumer behaviors progress both at the level of the country and across the globe; and
- the World Bank Group and the MDB community will learn from the experience of implementing Paris Alignment, and our approaches will need to be amended and updated as a result.

MIGA's assessment of each project's alignment with the goals of the Paris Agreement will be made during the project's due diligence process by MIGA's team of climate change specialists applying the World Bank Group's approaches and guidance.

With the launch of Paris Alignment, MIGA is scaling up its climate action and systematically integrating climate and development objectives across all our guarantee operations.

**Ethiopsis Tafara**  
Vice President and Chief Risk,  
Legal and Sustainability Officer  
and Partnerships



# MIGA's Climate Action Journey

---

MIGA has been scaling up its climate action consistently. The World Bank Group's Second CCAP (2021–2025) marked an historic commitment for MIGA and the World Bank Group to align their operations with the goals of the Paris Agreement. Additionally, it outlined a climate finance objective, aiming for 35 percent of MIGA's guarantees to support climate finance activities, calculated as an average over the five years of the CCAP 2021–2025.<sup>4</sup>

These two approaches—aligning operations with the goals of the Paris Agreement and increasing operations that deliver climate finance—yield climate impact in MIGA's operations and contribute to the overarching goal of integrating climate and development. However, they differ in terms of assessment, measurement, application, and integration across MIGA's operations.

In identifying, tagging, measuring, and reporting climate finance, MIGA employs the Joint MDB Methodology for tracking climate finance, which encompasses both mitigation and adaptation. This methodology is based on estimating mitigation finance from a list of activities in sectors and sub-sectors that reduce greenhouse gas emissions, aligning with low-emissions development. Adaptation finance is measured through a context-specific and location-specific approach, directly linking activities to a reduction in vulnerability to climate change.<sup>5</sup>

There are several key distinctions between the two approaches, as follows:

- Operations tagged as climate finance must positively impact climate change, while Paris Alignment assessments aim to align with specific goals of the Paris Agreement;
- Positive impact from a climate finance-tagged operation can stem from either mitigation or adaptation efforts, whereas for a positive Paris Alignment designation, both mitigation and adaptation must be addressed;
- To be recognized as delivering climate finance, specific components of a project need to meet the climate finance criteria. However, for assessing Paris Alignment, all project components are considered and must receive a positive assessment;

- Under the Climate Finance methodology, specific project components can be assessed as eligible for Climate finance tagging, and a percentage of Climate finance can be applied to the project. On the other hand, for Paris Alignment assessment, the entire project must be aligned for it to proceed; and
- While MIGA endeavors to maximize its Climate finance contribution, an operation can proceed even without a Climate finance component. This contrasts with Paris Alignment, where alignment with the principles will be required for MIGA to proceed with most projects (85 percent) and after July 1, 2025, all MIGA-supported projects (see Figure 2).

---

4. It is important to recognize that prior to the World Bank Group CCAP (2021–2025), the World Bank Group had already taken decisive action to fight climate change. In 2013, the World Bank Group announced it would provide financial support for [greenfield coal-power generation projects](#) only in rare circumstances. The World Bank Group has not financed a new coal-fired power plant since 2010 and has no active coal-fired power generation project in its pipeline. In 2017 the World Bank Group announced that it will [no longer finance upstream oil and gas projects](#) starting in 2019. Non-upstream natural gas investments may be considered aligned in countries where there are urgent energy demands and no short-term renewable alternatives to reliably serve such demand. Accounting for unique national circumstances, all World Bank Group investments in new gas infrastructure will be assessed for consistency with the country's Nationally Determined Contribution, long-term strategy, or other national development strategies, and will aim to ensure they do not lead to long-term carbon lock-in, among other considerations. MIGA also applies [IFC's Green Equity Approach](#) when supporting equity and equity-like investments in financial institutions.

5. For further explanation of the Joint MDB Climate Finance Methodology, see the 2021 Joint Report on Multilateral Development Banks' Climate Finance.

## Figure 2 Climate Finance and Paris Alignment

### Climate Finance

Positive Impact on Climate Change

Can be Mitigation and/or Adaptation

Project Components Assessed Individually

Calculate Climate Share

Part of Decision Making , but not a "Go / No Go" Decision

Source: MIGA

### Paris Aligned Finance

Align with specific goals of the Paris Agreement

Needs to consider both Mitigation and Adaptation

All project components are assessed

Binary Classification – Aligned or Not-Aligned

Will be "Go / No Go" decision with 100% Alignment Solution

The World Bank Group announced at the Summit for a New Global Financing Pact in June 2023 that it will introduce a new climate tracking metric to complement the Joint MDB Methodology for tracking climate finance, which is the methodology applicable to the World Bank Group's 35 percent target for climate finance. The aim will be to develop a pipeline of projects that are designed to have a greater climate impact rather than using a use-of-proceeds approach measured on an expected

basis, which is the method for applying the current Joint MDB climate finance methodology. Building on learnings from the current Climate finance approach and work on the Paris Alignment approach, the World Bank Group will lead an effort among the MDBs to develop this new methodology for tracking climate outcomes. An outline is expected to be announced at the 2023 United Nations Climate Change Conference in Dubai, UAE (November 30th – December 12th).



# Emerging Messages from Country Climate and Development Reports

In FY23, the World Bank Group introduced a new core diagnostic product, the Country Climate and Development Reports (CCDRs), jointly produced by the World Bank, IFC, and MIGA, in coordination with the International Monetary Fund (IMF).<sup>6</sup> In FY23, the World Bank Group published 25 CCDRs covering 29 countries. In FY24, the World Bank Group aims to release an additional 29 CCDRs, covering 40 more countries.

The primary goal of the World Bank Group's CCDRs is to assist countries and their partners in both the public and private sectors in gaining a deeper understanding of their most urgent climate risks. Moreover, these reports provide insights into how to manage these risks while simultaneously achieving the countries' development goals.

## Key findings from the FY23 CCDRs<sup>7</sup> include:



Climate change is a key challenge to long-term development, poverty reduction, and enhancing shared prosperity;



Climate objectives can be achieved without compromising development, but only if key conditions are met; and



Achieving success demands policy reforms, optimal allocation of limited public resources, and an increased influx of financial assistance from the international community.



6. See [Country Climate and Development Reports](#).

7. The main findings from the FY23 Country Climate and Development Reports are synthesized in the publication, [Climate and Development: an agenda for action](#).



The CCDRs emphasize that the active involvement of the private sector is an essential element in addressing climate change. They highlight the following points:

- The relationship between development and climate action hinges on private sector investments and innovation. This dynamic also generates opportunities for private sector growth, heightened income and exports, and job generation;
- The private sector holds the potential to significantly contribute to both adaptation and mitigation efforts. However, realizing this potential requires favorable conditions and targeted support;
- The private sector's climate resilience and preparedness are still at an early stage. Policy and institutional changes are needed for the private sector to effectively address climate risks and invest in resilience;
- The anticipated substantial growth in renewable energy capacity is expected to be predominantly financed by the private sector. This sector can also drive innovation in storage and demand management;
- The private sector is poised to take a leading role in transport and buildings, with remarkable innovation and growth already evident in the electric vehicles market; and
- Climate-smart practices in agriculture, forestry, and landscape management can enhance resilience and decrease emissions.

---

## Country Climate and Development Reports identify the regulatory reforms and incentives needed to enable private sector investment in climate adaptation and mitigation solutions.

**Ethiopia Tafara**  
Vice President and Chief Risk, Legal and Sustainability Officer and Partnerships

---

# Mind the Gap: Private sector climate adaptation finance

---

The impacts of global warming, as forewarned by the scientific community, have been evidenced prominently worldwide: glaciers and ice sheets rapidly melting, intensifying heat, persistent droughts, severe floods, escalating frequency and severity of forest fires, and escalating devastation caused by cyclones and hurricanes.

The need to adapt and build greater resilience to climate change repercussions has become undeniable. The World Bank Group is working to unlock financing for adaptation and resilience.<sup>8</sup> To address the physical risks of climate change in its projects, MIGA collaborates with its clients to exchange knowledge, promote the adoption of appropriate methods and actions, and amplify financial support.

Across the developing world, addressing adaptation needs is critical if development gains of recent decades are to be preserved. However, limited capacity and insufficient financing, especially from the private sector, are impeding progress. The United Nations estimates that developing nations will require \$160–\$340 billion annually by 2030 to adapt to mounting climate impacts. This estimation is projected to rise to \$315–\$565 billion by 2050. Currently, however, less than \$50 billion is allocated for climate adaptation finance.<sup>9</sup>

Understanding the financing gap means dissecting the drivers of adaptation and resilience finance, particularly in the context of mobilizing private sector finance. Climate adaptation finance often falls to the public sector to support, reflecting that these operations often are large-scale infrastructure projects that are non-revenue generating. Typically, these projects are financed using public sector funds and may be considered "public goods," either wholly or in part. But developing countries are often faced with limited fiscal space to prioritize infrastruc-



ture projects that address physical climate risks, particularly when resources are also required to fulfill basic needs, such as access to clean water or electricity. Consequently, governments increasingly acknowledge the importance of fostering private sector investments and finance in adaptation and resilience.

Private sector projects, constructed for purposes beyond explicit climate adaptation or resilience, yet designed to tackle elevated risks linked to climate change, represent another source of climate adaptation and resilience finance. By developing more resilient private sector projects, economies can contribute to climate change adaptation. The private sector may be more likely to invest in this form of adaptation finance as it is likely to be better aligned with their business interests.

---

8. MIGA and the WBG actively support both mitigation and adaptation/resilience finance. Adaptation and resilience finance differ from mitigation finance as mitigation finance attempts to slow the underlying cause of climate change by reducing GHG emissions.

9. [UNEP: Adaptation Gap Report 2022: Too Little, Too Slow – Climate adaptation failure puts world at risk.](#)

However, tracking and reporting this kind of climate adaptation finance is often challenging and so it tends to be underreported. In addition, the private sector may not take appropriate measures to enhance their projects' resilience due to various factors, such as:



**Lack of awareness of climate risks**  
Inadequate understanding of potential climate risks that could adversely affect their projects;



**Access to climate risk data**  
Limited access to up-to-date climate risk models and data;



**Pricing climate risks**  
Challenges in determining how to factor in climate risks when pricing projects;



**Uncertainty in mitigation measures**  
Uncertainty about the appropriate measures to mitigate climate risks;



**Long-term benefits vs. immediate costs**  
Uncertain benefits that may only become apparent over an extended period, if at all, when weighed against immediate and certain costs; and



**Public sector backing**  
Belief that in the event of a severe climate event, the public sector will shoulder the costs, rendering an upfront private sector investment redundant.

The institutions of the World Bank Group, including MIGA, are actively collaborating across the public and private sectors to elevate private finance for adaptation and resilience. Efforts revolve around assisting governments in creating an environment that fosters private sector investment in adaptation and resilience finance (see Figure 3).

**Figure 3**  
Five Steps to Enable Private Sector Engagement in Climate Adaptation



Source: [Enabling Private Investment in Climate Adaptation & Resilience: Current Status, Barriers to Investment and Blueprint for Action](#). World Bank.

In collaboration with client countries and private sector clients and partners, MIGA is undertaking the following actions to scale up its work in climate adaptation and resilience:

- **Resilience screening**

All potential MIGA-supported operations are screened for climate change risks in line with the World Bank Group's Paris Alignment commitments. MIGA guarantees will only be extended to clients whose projects are resilient, in line with the application of MIGA's approach to aligning its projects with the goals of the Paris Agreement.<sup>10</sup> This applies to MIGA-supported projects in both the real and financial institutions sectors.

- **Climate Action Plans**

Developing Climate Action Plans, as needed, that require clients to commit to mitigation measures to address identified risks before MIGA can proceed with a guarantee for the project.<sup>11</sup>

- **Partnerships for risk screening**

Collaborating with financial institutions from both the private and public sectors to encourage and support the establishment of systems for developing and refining internal climate risk screening procedures to enhance climate resilience. This work is expected to have a demonstration effect in the sector moving beyond project-specific benefits to system-wide benefits.

- **Trust fund utilization**

If needed, deploying funds from donor trust funds to support qualifying climate resilience and adaptation actions within MIGA-supported projects. In FY22, MIGA established The Fund for Advancing Sustainability, a trust fund aimed at enhancing the sustainability of MIGA projects for this purpose and other sustainability goals.

- **Identifying high adaptation benefit projects**

Identifying and supporting projects in sectors where high adaptation benefits can be achieved. These sectors encompass infrastructure, manufacturing, agriculture, and services. In FY23, financing proceeds guaranteed by MIGA were directed towards climate resilience finance in these areas of MIGA's business.

- **Pricing discounts for climate finance projects**

Offering potential pricing discounts for qualifying climate finance projects, including those supporting resilience and adaptation climate finance.

- **Innovating new products**

Collaborating with the insurance industry to develop a parametrically based climate insurance option offered by private insurers; and

- **Encouraging climate-related risk disclosure**

Urging clients to disclose climate-related risks and adopt standards for doing so, such as the Task Force on Climate-Related Financial Disclosures (TCFD). MIGA itself leads by example, having reported under the TCFD's recommendations for three consecutive years and engaging with global standard setters on climate financial disclosures and best practices.

---

**MIGA, partnering with the public and private sectors, must act with urgency to scale up climate actions and finance to build resilience to climate shocks.**

**Hiroshi Matano**  
Executive Vice President, MIGA

---

---

10. This requirement applies to 100 percent of MIGA guaranteed projects beginning July 1, 2025. From July 1, 2023, until July 1, 2025, 85 percent of MIGA guaranteed projects will need to meet this condition.

11. This requirement applies to 100 percent of MIGA guaranteed projects beginning July 1, 2025. From July 1, 2023, until July 1, 2025, 85 percent of MIGA guaranteed projects will need to meet this condition.

# Working with the private sector to integrate climate with development

## A Conversation with James Magor From Actis

---

### James Magor Director, Sustainability

James joined Actis – a leading global investor in sustainable infrastructure – in January 2016, and works across the firm’s sustainability strategy and sits on Actis’ Risk Committee. James has over 18 years of experience in the sustainability sector, primarily serving the private equity, banking, and development finance sectors. James is a member of the UN Principles for Responsible Investment (PRI) Infrastructure Advisory Committee, the African Private Equity and Venture Capital Association (AVCA) Sustainability Committee, and holds an MSc in Applied Meteorology & Climatology from the University of Birmingham.



**Q** Thank you for sharing your time with us today, James. Starting July 1, 2023, 85 percent of MIGA’s new operations will be aligned with low-carbon and climate-resilient development pathways. It is undeniable that integrating climate with development will require substantial support from the private sector. As a leading private investor in sustainable infrastructure, how is Actis supporting the low-carbon and climate-resilient transition – has Actis made any corporate commitments?

**A** At Actis, we recognize climate change is an environmental problem with profound social consequences, and successful socio-economic development must be integrated with climate resilience and adaptation measures. We also understand the role that private investors need to play to help decouple economic growth and development from carbon emissions. The International Energy Agency (IEA) estimates that we need to invest \$5 trillion per year by 2030 to achieve the transition to a net zero economy (‘the Transition’) and clearly this quantum of capital cannot come from the public sector alone. However, we view the Transition not as an insurmountable challenge, but as a compelling investment opportunity to generate outsized returns.

In order to ‘transform infrastructure’ and deliver a ‘better tomorrow’ we need to invest in a way that aligns the carbon emissions of our portfolio with a Net Zero pathway. That is why we announced in 2022 that 100 percent of our assets under management (AUM) will achieve Net Zero by 2050, and in 2023 we announced that 60 percent of our AUM will be aligned with Net Zero pathways and 50 percent of our AUM will be invested in Climate Solutions by 2030.

**The target set by Actis for at least 50 percent of the total assets under management to be in climate solutions is ambitious. How does Actis and the private sector more broadly view the financing for climate action? What opportunities and challenges do you see?**

Evidently, wind and solar power generation is, and will continue to be, at the heart of the Transition for the foreseeable

---

# There are still interesting opportunities to invest in climate adaptation while safeguarding and enhancing shareholder value.


**James Magor**  
Director, Sustainability, Actis

---

future. The IEA's Net Zero pathway estimates that we need over 10,000 GW of renewable energy installed capacity by 2030, which equates to approximately three times the total global installed capacity of renewables in 2022.<sup>12</sup> In other words, we need to build another two planets of renewable energy power plants in eight years. That will form the core of our sustainable infrastructure investment strategy going forward and will be a significant contributor to our climate solutions target. However, there are many other infrastructure sectors that will continue to provide essential services up to and beyond 2050 but need to start the process of decarbonization now.

Let's take district cooling as an example; not only is it approximately 30–50 percent more energy efficient than conventional cooling alternatives it's also more affordable, and the UN Environment Programme described district cooling as "a secret weapon for climate action and human health."<sup>13</sup> As global temperatures increase, the heat stress of occupants is becoming a key consideration in keeping workforces productive, industrial processes viable (vaccine production, food production, etc.) and in keeping residential building stock inhabitable. Lack of access to basic residential cooling where needed—the cooling gap—is increasingly considered a dimension of energy poverty.

Private sector investment in climate adaptation is challenging, especially when compared with the myriad opportunities for investing in mitigation. Supporting climate mitigation by investing, for example, in new renewable power projects, typically comes with a power purchase agreement that provides certainty of financial return. On the other hand, investing in adaptation projects that reduce the risks that communities face from climate hazards does not bring the same long-term, contracted financial return. As a result, climate adaptation is often viewed as a public sector obligation rather than a viable commercial investment opportunity for a private sector investor.



Nevertheless, for private infrastructure investors looking to maximize returns, there are still interesting opportunities to invest in climate adaptation while safeguarding and enhancing shareholder value. For example, investing in flood defenses to protect an infrastructure asset often reduces the risk to local communities. Similarly, all Actis' infrastructure companies implement a community development strategy because we recognize that securing a social license to operate (SLTO) mitigates the risk of disruption and maintains business continuity or asset availability. We often find that supporting adaptation projects that build climate resilience in host communities is one of the more effective ways of securing that valuable SLTO, which ultimately has a payback for us at exit.

**MIGA and Actis are working together to build climate resilience for a critical power generation project in Bangladesh. Can you please share a few details on this effort? How were physical climate risks identified and how are these being mitigated?**

Bangladesh is one of the world's most climate vulnerable countries, due to a variety of physical climate risks and low adaptive capacity. Furthermore, the Bhola power plant is situated on a low-lying island which is part of an active delta in the major Ganges–Brahmaputra–Meghna River Basin. This presented a unique challenge for Actis when we were assessing the opportunity to acquire the power plant.

In the UK we probably suffer from three types of drizzle but during our due diligence we learned that the site in Bangladesh was exposed to three possible flood event types: (1) overland

---

12. See IEA's: (i) [Renewable Energy](#); and (ii) [Tripling renewable power capacity by 2030](#).

13. See UNEP's: "[District energy: a secret weapon for climate action and human health](#)" and "[District energy in cities: unlocking the potential of energy efficiency and renewable energy](#)."



flooding due to heavy rainfall occurring on the island; (2) riverine flooding due to heavy rainfall occurring near or upstream of the island which causes river flows to rise and accelerate, resulting in eventual overtopping of river banks; or (3) coastal flooding due to extreme weather events occurring in the Bay of Bengal which induce storm surge towards the island. Under extreme scenarios, all three flood events can occur simultaneously.

In order to assess the flood risk to the power plant and to communities living in the vicinity of the site, we commissioned specialist advisors to update the project's flood risk assessment, to better evaluate how climate risks could evolve under various climate scenarios and across several time horizons. This analysis relied on localized climate change projections from a collection of climate models. The analysis relied on a 2-D flood routing model software and employed field datasets as well as satellite imagery to assess overland, riverine, and coastal flood risks due to changes in extreme rainfall and associated river flows, sea-level rise, and storm surge from tropical cyclones.

The 2-D flood modeling and consultation with subject matter experts helped inform the design of flood mitigation measures. To help mitigate and adapt to this risk to the power plant and its workers, the embankments adjacent to the river have been raised and structurally strengthened to prevent the risk of riverine flooding; and accelerated erosion under extreme flood scenarios. In addition, the stormwater drainage system has been upgraded to increase its capacity and we developed a flood resilience action plan for the workers at the site. We were also conscious that the development must not increase the flood risk for people living with the power plant's area of influence. Our flood risk modelling concluded that the development of the power plant has not exacerbated existing flood risks for the households, as drainage outflows from the site will be directly discharged into the neighboring river, which has sufficient capacity to collect and convey this water. Nonetheless,

as the nearby households are at risk to increased flooding due to climate change, we are working alongside government partners to provide flood and cyclone response training for nearby communities, disseminating flood warnings to communities, and exploring potential investments through a community investment plan to enhance community emergency response facilities and community drainage infrastructure.

**As you have noted, climate risks can be difficult to diagnose and mitigate. What are a few lessons you have learned which other private investors can benefit from? Also, what can MIGA, the World Bank Group or other Multilateral Development Banks do to better support the private sector in financing climate resilient development?**

I believe there are three critical lessons that we have learned from the Bangladesh project. Firstly, it's vital that climate change risk is screened at the beginning of the due diligence process and, where necessary, incorporated from the outset of the detailed due diligence phase. Physical climate risks are increasingly complex and often multifaceted, the magnitude of the risk needs to be thoroughly assessed and the commercial viability of the mitigation solutions needs to be determined with a high degree of confidence. It takes time and resources to complete the sort of robust assessment that we undertook for the Bhola project. Secondly, be transparent about your limitations and draw upon relevant expertise. Thirdly, while you need to understand where your 'red lines' are, don't shy away from a challenge if you believe in the investment case. There were times when the Bhola project seemed potentially too difficult, but we persevered and implemented a suite of comprehensive and commercially viable mitigation measures that will protect this important asset, the people that work there and the neighboring communities for the foreseeable future. In fact, our mitigations were tested in May this year when cyclone Mocha struck the coast of Bangladesh, causing widespread flooding. Thankfully, all the mitigation efforts worked, the power plant and surrounding communities were unharmed, and the Bhola power plant continued to generate essential electricity for the country.

---

## We are working alongside government partners to provide flood and cyclone response training for communities.

**James Magor**  
Director, Sustainability, Actis

---



# DELIVERING DEVELOPMENT IMPACT FOR A LIVABLE PLANET

Mobilizing the private sector is at the heart of being able to deliver sustainable and inclusive development. Working with partners, MIGA strives for positive development outcomes in the projects that MIGA guarantees. Environmental and social (E&S) risk management, alongside MIGA's efforts to foster inclusion and gender equality, is critical to achieving development impact. It is also beneficial to our clients, as MIGA's sustainability requirements improve performance and create business opportunities by helping clients better assess, manage and mitigate project impacts and strengthen relationships with local communities. In FY23, MIGA further advanced policies, practices and procedures to enhance E&S and gender in our project work.

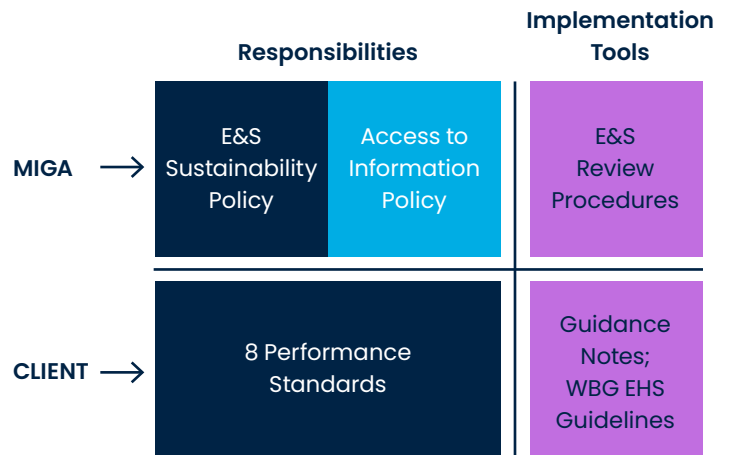


# Guiding clients and partners towards successful E&S outcomes

MIGA's commitment to sustainability, and that of our clients, is realized through the implementation of the **Sustainability Framework** (see Figure 1). MIGA's **Policy on Environmental and Social Sustainability** sets out MIGA's roles and responsibilities; and the **Environmental and Social Performance Standards** set out those of our clients. Complementing this is the **Access to Information Policy**, which provides the scope of information that MIGA makes publicly available, including information on E&S risks and impacts associated with individual MIGA projects. The objective of the policy is to enhance MIGA's transparency and accountability.

A critical element of MIGA's E&S sustainability architecture is the comprehensive set of E&S Performance Standards (see Figure 2) that set out the E&S responsibilities of our clients and/or project enterprises. The E&S Performance Standards cover eight areas and, together, establish standards that MIGA projects are required to meet throughout the life of the MIGA guarantee. The E&S Performance Standards also reference the World Bank Group's Environmental, Health, and Safety (EHS) Guidelines, which contain general and industry-specific examples of Good International Industry Practice that are expected to be applied in projects that MIGA guarantees. MIGA's E&S Performance Standards are also supported by eight detailed Guidance Notes prepared by IFC, corresponding to each of the Performance Standards. These Guidance Notes offer direction for MIGA and its clients to facilitate the implementation of the requirements contained in the E&S Performance Standards. MIGA's E&S Review Procedures guide the day-to-day operationalization of the Sustainability Framework by setting out the roles and responsibilities of MIGA management and staff during due diligence and monitoring. These procedures are supported by internal guidance documents, tip sheets and tools. For example, MIGA's E&S specialists use contextual risk, biodiversity and gender-based violence risk screening tools to systematically screen projects for these risks. These tools allow for early identification of risks and include suggested measures to address risks.

**Figure 1**  
Sustainability Framework



Source: MIGA



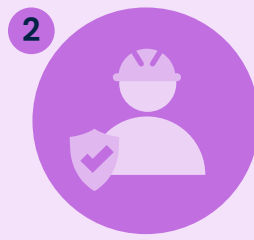
**Figure 2**

MIGA Performance Standards on Environmental and Social (E&S) Sustainability



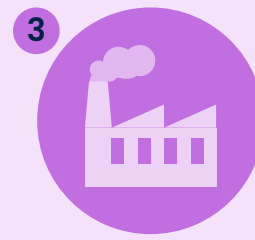
**Performance Standard 1  
Assessment and Management  
of E&S Risks and Impacts**

Underscores the importance of identifying E&S risks and impacts, and managing E&S performance throughout the life of a project.



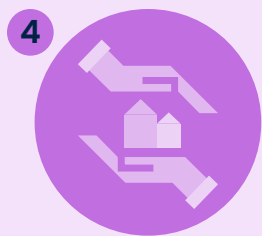
**Performance Standard 2  
Labor and Working Conditions**

Recognizes that the pursuit of economic growth through employment creation and income generation should be balanced with protection of basic rights for workers.



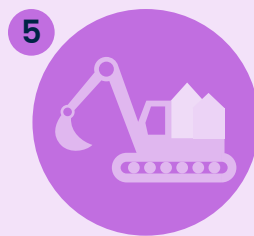
**Performance Standard 3  
Resource Efficiency and  
Pollution Prevention**

Recognizes that increased industrial activity and urbanization often generate higher levels of air, water, and land pollution and that there are efficiency opportunities.



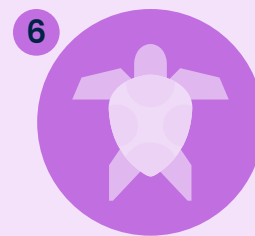
**Performance Standard 4  
Community Health, Safety  
and Security**

Recognizes that projects can bring benefits to communities, but can also increase potential exposure to risks and impacts from incidents, structural failures, and hazardous materials



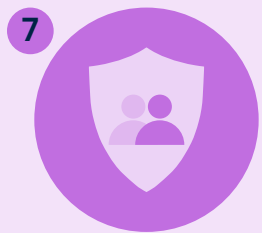
**Performance Standard 5  
Land Acquisition and  
Involuntary Resettlement**

Applies to physical or economic displacement resulting from land transactions such as expropriation or negotiated settlements.



**Performance Standard 6  
Biodiversity Conservation  
and Sustainable Management  
of Living Natural Resources**

Promotes the protection of biodiversity and the sustainable management and use of natural resources.



**Performance Standard 7  
Indigenous Peoples**

Aims to ensure that the development process fosters full respect for indigenous people.



**Performance Standard 8  
Cultural Heritage**

Aims to protect cultural heritage from adverse impacts of project activities and support its preservation.

Source: MIGA

---

The private sector has a crucial role to play in addressing the unprecedented global challenges posed by environmental degradation and biodiversity losses

**Ethiopsis Tafara**

Vice President and Chief Risk, Legal and Sustainability Officer and Partnerships

---

MIGA's Sustainability Framework and MIGA's approach to working with its clients and partners also provide tangible and intangible benefits to our business partners. Many clients seek to work with MIGA to realize some or all of the benefits listed below:



#### ● **Creating Value For Business**

There is a growing body of evidence that businesses that adopt high standards in their E&S work can save on costs, improve their brand and reputation, and strengthen stakeholder relations. Sustainability has become an important factor in the way businesses articulate their vision and mission.



#### ● **Improving Financial and Operational Performance**

Implementation of the E&S Performance Standards can help optimize inputs, such as water and energy, and help minimize emissions, effluents, and waste, as well as improve the health and safety of employees, leading to a more efficient, cost-effective, and sustainable project.



#### ● **Realizing Opportunities and Guarding Against Risks**

Implementing the Performance Standards can help companies identify and guard against interruptions in project execution, protect the brand, facilitate access to financial markets, and attract quality business partners.



#### ● **Gaining Community Acceptance to Operate**

The Performance Standards help clients maximize local development benefits and encourage the practice of good corporate citizenship, enhancing brand value and reputation.



#### ● **Achieving an International Stamp Of Approval**

MIGA's E&S Performance Standards are widely considered to be the "market standard" and offer MIGA's clients an international E&S "stamp of approval." Many clients choose MIGA to ensure that their projects are recognized for the highest E&S design, implementation and management. They can then use this recognition to attract additional financing. The "Equator Principles," which have been adopted by over 140 of the world's leading financial institutions in developed and developing countries, are based on the IFC/MIGA Performance Standards.

In FY23, MIGA continued to apply its Sustainability Framework across its pipeline of guarantee projects and the projects in its guarantee portfolio. The following project examples demonstrate how MIGA works with clients and project enterprises to deliver E&S value. These projects show the importance of MIGA's Sustainability Framework and MIGA's growing team of E&S specialists.

# MIGA's Gender Strategy Implementation Plan at Work

The foundation of MIGA's gender and inclusion work is that the private sector has a critical role to play in narrowing gender and inclusion gaps, given its ability to mobilize capital and create jobs and economic opportunities. MIGA's first ever Gender Strategy Implementation Plan (GSIP), launched in FY21, has guided MIGA's inclusion and gender work to help support the private sector in delivering more equitable outcomes (See Figure 3). FY23 was the final year of MIGA's first GSIP, providing an opportunity to assess progress in MIGA's gender work and to look forward to MIGA's future ambition as MIGA heads towards the launch of a second three-year implementation plan.

**Figure 3**  
MIGA Gender Commitments and Strategic Pillars, FY21-23

- MIGA's first **FY21-23 Gender Strategy Implementation Plan (GSIP)** stems from a commitment to foster gender equality and narrow gender gaps across MIGA's engagements with staff, clients and partners.
- MIGA's GSIP prioritizes identification of opportunities for increased gender actions aligned with three strategic pillars: Corporate, Client Engagement and Partnerships.



Innovation underpins each Strategic Pillar

Source: MIGA

# E&S engagement is creating value for clients and communities



## Senegal

In FY23, MIGA signed the 1,000th project in its history—a project in Senegal that supported the increased ownership and development of the port sector by the government of Senegal. The port sector is significant not only in Senegal’s economy, but also as a gateway to landlocked countries in Africa. MIGA’s guarantee enabled the government to increase its shareholding interest in DP World Dakar SA, Senegal from 10 percent to 40 percent. DP World Dakar holds a concession agreement with the government of Senegal for the operation of the container terminals at the existing Port of Dakar, and for the development, financing, construction, operation and maintenance of a new terminal container and related port facilities in Ndayane, approximately 50 kilometers from the Port of Dakar.

Port operations anywhere in the world can potentially lead to environmental impacts on air, water and land and social impacts related to labor and community health and safety. MIGA worked closely with DP World Dakar SA, Senegal and the government of Senegal, as well as the commercial lenders (Standard Chartered Bank of the United Kingdom, Crédit Agricole Corporate and Investment Bank of France, JPMorgan Chase Bank NA, London Branch of the United States), to align the project with MIGA’s E&S Performance Standards.

DP World Dakar’s operations of the existing port were already well known to MIGA: MIGA had provided guarantees in support of the modernization of the port in 2010, and from 2010 to 2017 (when the guarantees were active), MIGA supported DP World Dakar to develop and implement an E&S Management System (ESMS)—a tool that aids in systematically incorporating E&S objectives in a project by means of a set of well-defined and clear processes

and procedures—that was in line with the requirements of the E&S Performance Standards. When the guarantees expired in 2017, the project’s performance was aligned with MIGA’s E&S requirements. (See [this video](#) on the original project). MIGA’s review in 2022 confirmed ongoing implementation of the ESMS and satisfactory E&S performance at the existing operations at the Port of Dakar.

Due to the early stage of planning and development of the planned port in Ndayane, confirming the potential for alignment with MIGA’s E&S requirements was challenging. The development of a greenfield port is a complex project, which likely presents the potential for significant adverse E&S risks and impacts. MIGA’s E&S screening indicated that the construction of the port in Ndayane is likely to include land acquisition and resettlement leading to physical and economic displacement, and potential impacts on biodiversity, ecosystem services, and cultural heritage. The new port is still in the planning phase and the feasibility and environmental studies, while well advanced, are not yet complete. MIGA undertook a comprehensive review and confirmed the capacity of DP World Dakar to apply its existing ESMS, which includes application of MIGA’s E&S Performance Standards, to the planning, construction and operation of the new port. MIGA also received a commitment from DP World Dakar that it intends to apply MIGA’s E&S Performance Standards to all activities related to the new port. As a condition of the contract of guarantee, MIGA will also have the opportunity to review and provide comments on the draft Environmental and Social Impact Assessment (ESIA). The additional oversight and guidance that MIGA can provide in the early stages of the project can strengthen identification and management of E&S risks and enhance overall sustainability of the project.

---

## The strong E&S standards for the planned port in Ndayane, Senegal, is a win for investors, for the community, and for the people of Senegal.

**Hiroshi Matano**  
Executive Vice President, MIGA

---

---

MIGA's long-term guarantees for the KLED equity investment and our project financing from CIFI LATAM are crucial for the successful delivery of this nationally important project. MIGA's environmental, social, and health and safety support has also been invaluable.

**Richard Burdon**  
KLED Group Chief Executive

---

## Saint Lucia

In MIGA's first ever project supported in Saint Lucia, protecting and enhancing the delicate ecology of the island was a critical element of MIGA's work. The project involved the installation, operation and maintenance of 2,460 new LED streetlights replacing 22,000 outdated high-pressure sodium lamps. The new LED lights are expected to be less disruptive to some local wildlife populations, including turtles and birds. In addition, the LED streetlights will lead to GHG emissions reductions of an estimated 5,000 tons of CO<sub>2</sub>e per year while increasing lighting levels by over 30 percent across the road network. The project is a public-private partnership between the government of Saint Lucia and KLED Capital, in which MIGA is providing political risk insurance in support of KLED's equity investment and debt financing to the project.<sup>1</sup> The project is an important component of the government's efforts to transition to a lower-carbon economy with the co-benefits of reducing the island's dependence on expensive imported petroleum products as well as the overall cost of operation and maintenance of the streetlights.

Despite the many benefits, the project also presented E&S risks, including the safe disposal of hazardous material from the decommissioning of the high-pressure sodium lamps. High-pressure sodium lamps contain small amounts of mercury, a hazardous material with potentially adverse impacts on human health and the environment. However, the island does not have an appropriate hazardous waste disposal facility to safely manage the retirement of the old lamps. MIGA and KLED Capital worked together to find a solution that was cost effective and aligned with MIGA's E&S Performance Standard 3, Resource Efficiency and Pollution Prevention, as well as the World Bank Group's Environmental, Health, and Safety (EHS) Guidelines. Two important aspects of the disposal plan were: (i) processing procedures to reduce the risk of the breakage of the lamps, as a large portion of the lamp would need to be damaged to release the mercury into the environment; and (ii) shipment of the lamps in their original casings to a certified recycling company located in Florida, United States.



---

1. In FY23, MIGA political risk insurance covered a loan contract of \$9.9 million for eight years with CIFI LATAM of Panama. MIGA's \$11.7 million equity contract of guarantee for 15 years with KLED Capital of the British Virgin Islands was executed in FY22.



## Kyrgyz Republic

The agricultural sector faces sector-specific E&S risks that present both challenges and opportunities for projects to contribute to sustainability goals. In the Kyrgyz Republic, MIGA is providing a \$4 million political risk insurance guarantee to In Water Solution, Inc. of the Republic of Korea to cover a shareholder loan to its wholly owned subsidiary (In Water Solution (IWS) Agro), which is developing a highly innovative agricultural project. The project includes the construction and operation of a ten-hectare smart farm comprised of hydroponic greenhouses with automated systems that control the growing environment. The project, one of the first of its kind in Kyrgyz Republic, introduces advanced farming technology that enables crop cultivation at scale throughout the cold season. Water scarcity is also a growing problem throughout Central Asia, and Kyrgyz Republic is no exception. Under the project design, the IWS Agro will install a water recycling system, which is expected to allow up to 30 percent of the hydroponic system effluence to be reused as liquid fertilizer, helping to reduce potential pollution, as well as reduce the project's fresh-water requirements.

MIGA's support means that the project is required to meet the requirements of MIGA's E&S Performance Standards. During due diligence, MIGA worked closely with IWS Agro to develop an E&S action plan to bring the project into alignment with the E&S Performance Standards. A key component of the action plan is establishment of an ESMS, which is the bedrock of MIGA's E&S Performance Standard 1. As part of implementing E&S Performance Standard 1, the project will also engage an E&S officer to effectively oversee the implementation of the ESMS. The E&S officer will also be responsible for the development and implementation of a project-level grievance redress mechanism for the community where people can voice any concerns or complaints related to the project. These building blocks facilitate the early identification and management of E&S risks and adverse impacts.

## Gabon

Gabon is working to establish itself as a leader in environmental conservation: since 2000, the country has preserved a sizable portion of its rainforests and in the process created 13 national parks, two of which have been inscribed as UNESCO World Heritage Sites. Simultaneously, Gabon has sought to diversify its economy away from oil, in part through development of its mining sector. In FY23, a \$66 million MIGA guarantee to cover investment by Meridiam, a French infrastructure and asset management firm, is aiming to support the country's economic diversification while ensuring its environmental and biodiversity goals remain in the forefront.

The equity and quasi-equity investment from Meridiam aims to help accelerate the roll-out and delivery of a major rehabilitation and upgrade program of the Transgabonais railway corridor that runs between the Port of Owendo (located outside the capital of Libreville) and Franceville (Gabon's third largest city and center of the country's mining region). The objective of the rehabilitation and upgrade program is to improve the reliability, safety and level of service of the railway.

MIGA collaborated closely with IFC, which provided a loan to support the rehabilitation and upgrade program, especially on the E&S aspects of the project. MIGA benefits from a specific arrangement with IFC where due diligence work and E&S monitoring can be shared in joint projects.<sup>2</sup> This is an extremely useful agreement, especially for E&S work as IFC and MIGA apply the same standards, as it helps to promote efficiencies of time and money for all parties in a transaction. As IFC had been involved in the project as a lender since 2016, and provided a second loan in 2020, MIGA was able to streamline its own E&S work relying on IFC's project work and monitoring while also adding value through its partnerships with the project enterprise (SETRAG), Meridiam and IFC.

2. See MIGA's Sustainability Policy, paragraph 6.



At the time when MIGA began work on the project in 2021, implementation of the IFC E&S Action Plan had been significantly delayed by the COVID-19 pandemic. Working closely with IFC and MIGA, SETRAG's shareholders stepped up to implement organizational, budget and staff resourcing changes to speed up the adoption of environmental and social actions, including in the areas of biodiversity, workers accommodations and in emergency-response activities.

---

MIGA supports its clients and partners to design, build and operate sustainable projects that benefit communities and protect the environment: our partnerships are fundamental to delivering successful projects and ensuring development impact.

**Hiroshi Matano**  
Executive Vice President, MIGA

---



## Sally Johnson Principal Biodiversity Specialist

Sally Johnson is a Principal Biodiversity Specialist with over 30 years of experience working with governments, multilateral financial institutions, the private sector, and non-government organizations. She has written extensively on biodiversity and currently supports MIGA in assessing and monitoring projects with substantial biodiversity risks.

### Sally's Top Five

To live in harmony in nature will require a range of interventions. My top five are:

- 1 Allocate more financial resources for conserving and restoring nature to meet the 30 percent target set out in the GBF and increase the use of green infrastructure to help implement sustainable urban development;
- 2 Apply strong biodiversity safeguards along the lines of MIGA/IFC performance standards to all assets under management (\$126 trillion as of 2022) and increase the disclosure of nature-related risks and dependencies;
- 3 Reject marginally economic projects that result in significant biodiversity impacts but lack the finances to apply the mitigation hierarchy appropriately;
- 4 Governments should stop approving developments in World Heritage Sites and Intact Forest landscapes and should only allow activities in other protected areas that are not incompatible with the value for which they have been designated. They should make a concerted effort to protect the Great Apes and end the illegal wildlife trade ; and
- 5 Find ways to produce and consume more sustainably since our food system is one of the biggest causes of biodiversity loss



## MIGA's Role in Protecting Biodiversity A Conversation with Sally Johnson

**Q** Thanks for speaking with us. With the adoption of the Kunming-Montreal Global Biodiversity Framework (GBF) at the UN Biodiversity Conference (COP15) in December 2022, biodiversity is getting a lot of attention. You have been involved in this space for over 30 years. How have you seen it evolve, and where is it headed?

**A** It has been incredible watching the issue go from being viewed essentially as a local planning issue to being identified as one of the top three global risks by the World Economic Forum (WEF).

Awareness of the implications of biodiversity and ecosystem services decline has risen dramatically over the last 10 to 15 years. Alarming statistics from the Millennium Ecosystem Assessment, the Living Planet Index, and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) back that up. More recently both the Dasgupta Review in 2020 and the World Economic Forum (WEF) pointed out that the global economy was dependent on biodiversity, with the WEF putting the figure at "\$44 trillion – over half the world's total GDP". That has led to stronger environmental, social and governance (ESG) requirements for companies. The publication of IFC's Performance Standards, including Performance Standard 6 in 2006 and revisions in 2012, [Biodiversity Conservation and Sustainable Management of Living Natural Resources], was a game changer. The standards required lenders to take account of biodiversity and ecosystems services and ensure that IFC's projects cause no net loss of natural habitat and create net gain for critical habitat. Financial institutions have extended this requirement through the Equator Principles [voluntary guidelines adopted by 138 participating institutions].

---

# There is also new understanding of the valuable service species such as forest elephants provide in carbon storage; their services could be worth billions.

**Sally Johnson**  
Principal Biodiversity Specialist

---

The Kunming–Montreal GBF, agreed by 188 governments in December 2022, sets out ambitious goals and targets to halt and reverse nature loss by 2030 and restore nature’s resilience by 2050. The GBF, which was launched at UN Biodiversity Conference, (COP15), calls for better disclosure of nature-related risks. Companies will now need to disclose nature-related impacts and dependencies including supply chain risks under the framework developed by the International Taskforce on Nature-related Financial Disclosures (TNFD). This will hopefully move companies from site-based consideration of biodiversity to fully integrating this into their business strategies and contributing to a nature positive future.

## Interesting – why is this important and what does it look like?

TNFD includes a broad range of stakeholders, but importantly the asset owners and managers amount to \$20 trillion in assets under management so the expectation is that there will be a large uptake of TNFD. The framework has four pillars: governance, strategy, risk, and impact management, as well as metrics and targets. Companies will assess how they oversee nature-related risks, how those risks are integrated into the business strategy and financial planning, and how they are integrated into their risk management systems. It also requires them to develop quantitative and qualitative performance indicators. The European Union is incorporating the approach in its Corporate Sustainability Reporting Directive, which will require companies to report on the impact of corporate activities on the environment and society.

## Climate change and biodiversity loss are interconnected. What opportunities and challenges do you see in this regard?

You’re right, climate change and biodiversity loss are intimately

related. It is predicted that climate change could overtake land-use change as the leading cause of biodiversity loss by 2070 and biodiversity loss will in turn have huge implications for climate change. We are already seeing impacts on marine ecosystems, species ranges are shifting, and climate change is affecting tropical forests that play a huge part in regulating global climate.

I am excited to see the recognition that nature-based solutions can help mitigate climate change. It is particularly important to avoid deforestation. There is also new understanding of the valuable service species such as forest elephants provide in carbon storage; their services could be worth billions. The publication of the International Union for the Conservation of Nature’s Global Standard for Nature-based Solutions will ensure that the necessary safeguards and carbon accounting frameworks are used.

## Did you say, “forest elephants”? How do they contribute to carbon storage?

It’s extraordinary. Apparently forest elephants contribute to increasing above ground carbon by reducing the density of small trees through trampling and consumption and by dispersing seeds of particularly large trees. Expanding the elephant population could generate a substantial carbon sink in the next 30 years, worth billions of dollars. That’s valuable enough to attract investors.

## Speaking of investors, at the COP-15 UN Biodiversity Conference in December 2022, the private sector was more visible than ever before. What do you think is behind this?

What’s driving this is the recognition that collaboration between governments, business and civil society will be key for the delivery of the GBF. Target 15 of the Framework explicitly references the private sector requiring it to disclose and reduce its impacts on biodiversity, increase positive impacts and promote actions to ensure sustainable patterns of production. The private sector also has a huge role to play in providing additional financial resources. This might be through direct investment in biodiversity-related activities (IFC has recently published a Biodiversity Finance Reference Guide), funding of biodiversity conservation and/or restoration, and other nature-based solutions. The private sector is setting up protected areas to offset their own negative impacts, designed as public-private partnerships.

## In addition to working with MIGA, you also support several private sector clients. What are the most exciting things that they’re doing?

I am seeing changes in both processes; more effective application of the mitigation hierarchy and a greater focus on supply chains, but also enhanced understanding and management of risk through the use of innovative technology such as bioacoustics monitoring, eDNA, remote sensing, drones, camera trapping for Great Ape population estimates, and even machine learning

to predict the location of unusual habitat types. It's also exciting to see the implementation of Nature Based Solutions coming to the fore alongside greater collaboration with other partners to manage risk and contribute to nature positive initiatives.

**This sounds great, but it's been difficult to get the private sector to invest in protected areas and offsets in the past, as these tend not to be revenue generating activities. What is motivating this increase in investment? Is it primarily to maintain primary production or inputs that underpin a project (e.g., water supply) or is it to access financing, regulatory requirements, or corporate social responsibility?**

Initially it was a combination of regulation and access to finance, whereby companies are offsetting negative impacts either related to biodiversity (i.e. offsets) or carbon emissions (nature-based solutions), through certification or purchasing verified carbon credits. Increasingly, companies will simply want to make investments in nature-positive actions. Biodiversity credits are an emerging market proposition that could accelerate funding for biodiversity conservation while benefiting local communities.

**So whether it's through implementing our requirements or supporting some of these emerging initiatives like biodiversity credits – it sounds like there is a significant role for Multilateral Development Banks (MDBs), including MIGA, in promoting biodiversity finance.**

Yes – as I mentioned, the Performance Standards, and similar standards of other development finance institutions (e.g., the World Bank's Environmental and Social Framework) have played a significant role in setting the standard for mitigating biodiversity risks. And I know that MDBs are developing a methodology for tracking nature finance. Hopefully, this will create more opportunities to minimize impacts and direct financing to conservation, restoration and innovative approaches to impact mitigation. In general, if MDBs are more intentional in incorporating financing for nature into projects, this could increase the overall funding for addressing biodiversity loss.

**Still, MDBs need to balance socio-economic development with conservation and restoration of biodiversity. Is that possible?**

Yes, but it's complicated. Poverty is most closely associated with subsistence activities and high birth rates, which are significant drivers of biodiversity loss. MIGA and other MDBs and private providers of finance are instrumental in providing alternative economic opportunities, supported by the right enabling environment. With higher living standards comes improved education and declining birth rates – so biodiversity benefits. However, it's not always a win-win as some development activities also adversely impact biodiversity in ways that are difficult to mitigate.

**So where do you think all of this is heading?**

I am an eternal optimist, and the GBF agreement marks an important call to action. However, we have been here before. Rachel Carson rang the alarm bell in the 1960s. The CBD [Convention on Biological Diversity, established at the Rio 'Earth Summit' in 1992] set ambitious targets to halt biodiversity loss in 2010. Yet it's hard to see how statistics on biodiversity decline can get more shocking. The latest Living Planet Index reveals that global wildlife populations have plummeted by 69 percent on average since 1970 and sadly none of the 20 Aichi Biodiversity Targets agreed by Parties to the CBD in 2010 have been fully achieved.





## Fostering MIGA's E&S Accountability

---

E&S accountability remains a strong component of MIGA's commitment to sustainability. MIGA continues to make significant progress in strengthening its internal systems to facilitate greater accountability and enhanced E&S outcomes of its projects.

In FY23, MIGA's E&S specialists completed an internal portfolio-wide review of MIGA's requirement for projects to have a project-level grievance redress mechanism (GRMs). The review looked at both the capacity of MIGA's E&S specialists to assess and advise on the effectiveness of GRMs as well as whether there is the capacity at the project level to implement an E&S Performance Standard-aligned GRM. The findings identified strengths, good practice examples, and some areas for enhancement. MIGA is now in the process of adopting the lessons learned from this review in our project due diligence and monitoring. MIGA also worked closely with IFC in FY23 to develop guidance notes, tip sheets and guidance and good practice notes related to emerging E&S risks. The implementation of these new guidance materials has been accompanied by a program of training, capacity-building and knowledge-sharing activities, which will continue in FY24.

MIGA also continued to strengthen implementation of its gender-based violence (GBV) risk management framework by developing guidance materials for monitoring GBV risks and an online training course for the overall implementation of the framework. In FY23, MIGA also established an internal, dedicated team to manage direct complaints from people affected by MIGA projects.

In FY23, IFC and MIGA proposed an Approach to Remedial Action as part of their ongoing efforts to strengthen accountability throughout the project cycle. A draft of the proposed approach was provided for public consultation in February 2023. Public consultations took place between February and April of 2023 to elicit comments and written submissions. A [dedicated website](#) was established for the process and IFC and MIGA contracted a team of four independent facilitators to help design, manage, conduct and report on the consultation program, in discussion-working closely with IFC and MIGA. The consultation program included one informational session and a series of consultation meetings, held in several languages and time zones, and open to all stakeholders. Written feedback could also be provided via the website. A Summary of Formal Public Consultations and Feedback on the proposed IFC/MIGA Approach to Remedial Action was shared publicly in May (and can be found on the website referenced above). The feedback gathered during the consultation process is being considered in the refinement of the IFC and MIGA Approach to Remedial Action.

# Mainstreaming Gender for a Sustainable, Resilient and Inclusive Future

---

Gender equality is a pressing priority. Global crises—climate change, fragility and pandemics—have disproportionately negative impacts on women, girls, sexual and gender minorities, and marginalized groups. Addressing gender gaps requires a sustained and broad-based commitment, backed by knowledge sharing, evidence-based solutions, and targeted finance and de-risking instruments. The private sector has a leading role to play with its ability to mobilize capital, create jobs and provide economic opportunity.

To deliver on these goals, MIGA works with its clients to “**gender flag**” projects. To earn a gender flag, a project must take intentional actions to narrow identified gender gaps. The actions agreed form the basis for a Gender Action Plan (GAP). The implementation and impact of these actions is measured as part of the project results framework.

GAPs have been a critical element of a larger undertaking to mainstream gender at MIGA as outlined in MIGA’s first Gender Strategy Implementation Plan (GSIP) for FY21-23. The GSIP is comprised of three strategic pillars: corporate, client engagement, and partnerships (see Figure 3). MIGA is now in the process of drafting its second Gender Strategy Implementation Plan (FY24-26), the development of which coincides with a new [World Bank Group Gender Strategy 2024-2030](#), currently undergoing a formal consultation process.



# Engaging with our clients to address gender gaps



## Ukraine

In FY23, MIGA, working with its long-standing client, ProCredit Holding of Germany, signed its first gender-flagged project in a Fragile and Conflict-affected Situation, classified as “in conflict”, Ukraine. The commitment of JSC ProCredit Ukraine, Procredit’s Ukraine subsidiary, to gender equality was evidenced by its desire to implement a GAP under the extremely difficult circumstances of Russia’s invasion of the country. The MIGA guarantee is an extension of the 2020 Capital Optimization guarantee that was maturing and now has been extended to December 2025 with the amount increased from €17 million to close to €41 million. The Capital Optimization guarantee will facilitate additional lending in local currency to small and medium-sized enterprises in Ukraine.

ProCredit Ukraine’s GAP entails implementing a new gender training program for its staff. This training program aims to build gender knowledge, (including the business case for gender equality), gender marketing opportunities, and gender awareness, as well as training for front-line staff in selling to the women’s business segment. It is similar to the training programs that are being implemented through GAPs under implementation by ProCredit in FY23 in several of its other subsidiaries in Eastern Europe.<sup>3</sup> These GAPs, given the different country contexts and longer maturity of the guarantees (to 2028 compared with the Ukraine guarantee), will also include the development of a gender strategy for each subsidiary.

## Colombia

While Colombia has a large and sophisticated financial system that has made progress on financial inclusion, inequalities persist and access to finance remains a constraint for women-owned businesses. For example, 11.8 percent of Colombian female entrepreneurs abandon their businesses because of a lack of finance, compared with just 4.9 percent for male entrepreneurs, while only 14 percent of micro, small, and medium-sized enterprises (MSMEs) are led by women. To help address gender disparities in loan access and conditions for MSMEs, as well as other inclusion and sustainability objectives, MIGA in FY23 issued a guarantee to JPMorgan Chase Bank N.A. of the United States against the risk of non-payment of a Colombian peso-indexed loan of \$285 million to Banco de Comercio Exterior de Colombia S.A. (Bancóldex), a state-owned business and export development bank in Colombia.

As part of MIGA’s engagement, Bancóldex developed a GAP, which calls for improved access to finance for women-owned MSMEs. The plan includes the deployment of new financial and non-financial products and services to address the financial challenges experienced by women entrepreneurs. In addition, the staff of Bancóldex and its partner financial intermediaries will receive gender training. To support this work, MIGA is working to arrange a technical assistance grant to Bancóldex. The technical assistance grant will be funded by MIGA’s Fund for Advancing Sustainability Trust Fund (FASTF)—the first time this source will be tapped in support of a GAP. It is noteworthy that Claudia María González Arteaga, Bancóldex’s Chief Financial Officer, was the recipient of MIGA’s FY23 Annual Gender Leadership Award (see below).





---

MIGA is helping to drive gender equality through its strong partnership with financial intermediaries: lending institutions can play an outsized role in ensuring that money flows into small, medium and micro-enterprises led by women or employing women.

**Junaid Ahmad**  
Vice President, MIGA, Operations

---

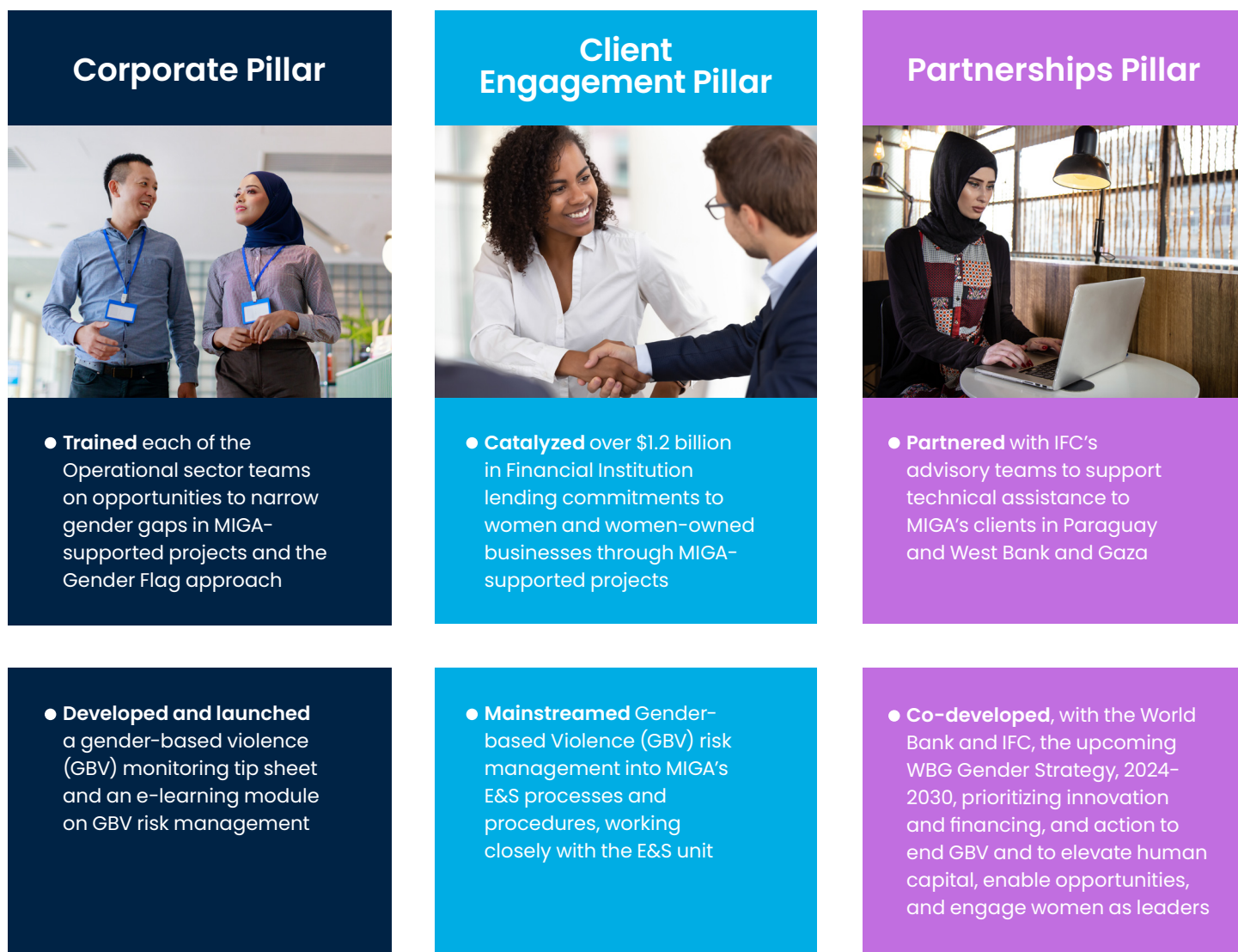


# Mainstreaming gender: MIGA's Gender Strategy Implementation Plan (GSIP), FY21–FY23

Over the past three years of MIGA's first Gender Strategy Implementation Plan (FY21–FY23), MIGA has undergone an organizational shift in its approach to gender. Gender equality now is embedded in MIGA's operations and incorporated into MIGA's overall strategy and planning process. MIGA's GSIP for FY21–23 identified opportunities for increased gender actions aligned with three strategic pillars: corporate, client engagement, and partnerships. Highlights of MIGA's achievements from the implementation of the GSIP in FY23 are summarized in Figure 4.

MIGA's preliminary Gender Strategy Implementation Plan for FY24–26 (GSIP 2.0) builds on the substantial progress achieved during the last three years, laying a foundation for enhancing the quality and reach of its gender interventions. MIGA's strategy will be centered on two pillars: a corporate pillar that will guide MIGA's work within the institution; and a Client Engagement pillar that will prioritize MIGA's ability to deliver impact in support of gender activities through its project guarantees. MIGA will use partnerships as a tool to amplify and scale up delivery of the objectives under the two strategic pillars.

**Figure 4**  
Mainstreaming Gender: Highlights of MIGA's FY23 Gender Implementation Plan



Source: MIGA

---

The business case for gender equality is overwhelming: correcting gender imbalances can lead to significant economic and business gains in developing countries. This is why MIGA is amplifying its gender commitment with the upcoming launch of its second Gender Strategy Implementation Plan, FY24–26.

**Ethiopsis Tafara**

Vice President and Chief Risk, Legal and Sustainability Officer and Partnerships

---



# Innovation through Female Entrepreneurship: 8th Annual MIGA Gender Leadership Award

---

MIGA's Gender Leadership Award recognizes senior managers with a proven track record of furthering the cause of women's advancement and gender equality in business, while contributing to the World Bank Group's Mission to end extreme poverty and boost shared prosperity on a livable planet by amplifying inclusion, resilience, and sustainability.

The eighth annual award recognized Claudia María González Arteaga, Chief Financial Officer at Banco de Desarrollo Empresarial de Colombia (Bancóldex). Her dedication to innovation has boosted access to credit for women-owned MSMEs in Colombia and is helping to build a green economy and support gender equality in the country. Ms. González has a history of leadership in an industry where women make up only 18 percent of all C-suite roles, according to the 2022 Gender Balance Index.



---

This award incentivizes us to continue having an impact on the Colombian economy and to close gaps and create opportunities for all businesswomen in Colombia.

**Claudia María González Arteaga**  
Chief Financial Officer, Bancóldex

---

# REPORT UNDER THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



As the third year of the World Bank Group Climate Change Action Plan (CCAP) (2021–2025) ends, this report is MIGA’s third disclosure under the guidelines recommended by the Task Force on Climate-related Financial Disclosures (TCFD). MIGA’s climate action efforts and the impacts of its guarantees on the global goals of climate change mitigation and adaptation continue to evolve and strengthen, and collectively the World Bank Group remains the largest financier of climate action among the Multilateral Development Banks (MDBs) for low to middle-income countries.

Mobilizing private sector financing at scale is critical for low-carbon and climate-resilient development in MIGA’s client countries. Over the past year, MIGA has enabled private sector mobilization for critical climate action needs, including through: expanding access to low-carbon electricity; building climate resilient infrastructure; developing low-carbon transportation modes; promoting climate smart agriculture; boosting investments in greening initiatives to improve resource efficiencies; lowering the operational greenhouse gas (GHG) footprint of manufacturing; and supporting financial institutions grow their climate finance lending.

In addition, MIGA, as part of the World Bank Group, continues to play an important role in the development of the Country Climate and Development Reports (CCDRs), which integrate climate change with development and define priority actions for the World Bank Group’s client countries to support a low-carbon and climate-resilient transition. These diagnostics describe transition and physical climate-related risks, policy interventions, public resource constraints, and private sector financing gaps and barriers. MIGA is ensuring its support for climate

action continues to be aligned with broader strategies for green, resilient and inclusive development in MIGA’s client countries. This report highlights updates to MIGA’s climate change strategy, as well as internal procedures for climate change management and climate action results for FY23. Notably, FY23 also marks the end of MIGA’s core strategy document, the Strategy and Business Outlook (FY21–23), and FY24 will see the actioning of MIGA’s new Strategy and Business Outlook (FY24–26).

As the World Bank Group is undergoing an “Evolution” to better address the global challenges to development, including climate change, MIGA is strengthening its commitment to the threats posed by global warming in both low and middle-income countries. Ongoing discussions continue to highlight MIGA’s role in private capital mobilization and the power of guarantees to de-risk private finance and investment for scaling and replicating climate action.

Additionally, as of July 1, 2023 (FY24), MIGA’s commitment to align 85 percent of its new projects with the goals of the Paris Agreement will also be actioned, and this will be followed by aligning 100 percent of MIGA’s projects from July 1, 2025 (FY26). Paris alignment requires financing for development to be consistent with low-carbon and climate-resilient pathways to limit global warming to well below 2 degrees Celsius, and preferably 1.5 degrees Celsius, above pre-industrial levels. To prepare for this, in FY23, MIGA undertook an extensive review of its business and resources and developed an implementation plan, including developing training and guidance materials, hiring subject matter experts, focusing on product innovations, and strengthening its partnerships. This report reflects MIGA’s continued commitment to disclose its climate action results following the TCFD’s recommendations and is organized around four core elements (see Figure 1).

**Figure 1**  
Core Elements of the TCFD framework



**Governance**

The organization’s governance around climate-related risks and opportunities.



**Strategy**

The actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning



**Risk Management**

The process used by the organization to identify, assess, and manage climate-related risks



**Metrics & Targets**

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

# Governance

---

All aspects of MIGA's climate business and related protocols are overseen by **MIGA's Executive Vice President (EVP)**, who reports to the **President of the World Bank Group**. The World Bank Group President sets the overall ambition on climate action for the World Bank Group and is selected by the Executive Directors of the Boards of IBRD, IDA, IFC and MIGA. (While there are four Boards, Executive Directors serving on these Boards are usually the same). MIGA's **Board of Directors**, comprising 25 representatives from MIGA's member countries, are responsible for approving all of MIGA's operations and policies. Notably, FY24 will see the actioning of MIGA's commitment to its Board of Directors to align 85 percent of its new guarantees with the low-carbon and climate-resilient goals of the Paris Agreement. The Board of Directors also endorsed the CCAP and a World Bank Group climate finance target of 35 percent of MIGA's guarantee issuance to be comprised of climate mitigation or climate adaptation finance, on average, over the period 2021 to 2025. MIGA management reports its progress to MIGA's Board of Directors as part of periodic reports from the EVP. MIGA, on an annual basis, also reports on its implementation results of the CCAP to the World Bank Group Board of Directors.

## Vice Presidential Leadership

---

Under the responsibility of MIGA's EVP are two Vice Presidents. MIGA's Vice Presidents participate in various World Bank Group formal and informal groups that review and approve major World Bank Group initiatives, strategies, policies and targets—including those pertaining to climate—before submission to the Board of Directors.

**The Vice President, Operations**, oversees two Operations departments: (a) Infrastructure, Manufacturing, Agribusiness, Services and Trade Operations; and (b) Energy, Extractives, Capital and Financial Markets. Both departments are mandated to identify climate business opportunities, develop new MIGA products and innovate existing MIGA product applications to mobilize more private capital for low-carbon and climate-resilient development.

**The Vice President, Chief Risk, Legal & Sustainability Officer and Partnerships** oversees three MIGA departments: (a) Finance and Risk Management, (b) Economics and Sustainability, and (c) Legal Affairs and Claims. The Director of Economics and Sustainability oversees, among other responsibilities, the Sustainability and Climate units, which work with MIGA's operations management and staff, as well as clients, to address environmental and social risks, and transition and physical climate-related risks, in all MIGA's operations.

The Climate unit includes a team of climate change specialists who are responsible for climate analytics as well as the climate-related policy, innovation and partnership work program. Among the unit's responsibilities are: climate finance accounting; Paris alignment assessment; GHG emissions accounting; support of the development of climate-related internal and/or external frameworks; policies and guidance materials on salient climate-related thematic areas; development of new MIGA products to foster low-carbon and climate-resilient investments; analysis and reporting on MIGA's climate business; monitoring of MIGA's portfolio of projects to ensure climate action commitments made at the project approval stage by MIGA's clients are being adhered to; contributing to World Bank Group climate analytics and strategic initiatives; and participating in joint MDB working groups on climate finance and Paris alignment. To assist with the mainstreaming of Paris alignment methodologies, staff in this unit also provide sector-specific training to colleagues in the Operations department.

## Strategy, Policy and Project Review Process

---

MIGA's strategies, policies and projects are overseen by the **MIGA Management Team (MMT)**, which includes MIGA's Directors, Vice Presidents, and EVP.

The MMT reviews the processes and procedures for all projects to be supported by MIGA (see Figure 2). There are two stages of project review: the Early Screening Committee (ESC) where the MIGA project team presents a preliminary evaluation of the project, including if the project is aligned with MIGA's mandate and business strategy and policies; and the Project Review Committee (PRC) where a full evaluation of the project is presented, including any contractual requirements that must be adopted to ensure the project will be aligned with MIGA's climate commitments, MIGA's Policy on Environmental and Social Sustainability and MIGA's Environmental and Social Performance Standards. If a project is approved at PRC, it will then proceed for approval to MIGA's Board of Directors, under the delegated authority from the World Bank Group President to MIGA's EVP.

All individual projects supported by MIGA are either approved by the Board of Directors directly or under specific authority delegated by the Board to MIGA's management. MIGA's Board of Directors can seek clarification from MIGA management on MIGA projects submitted for approval, including on climate risks and resilience requirements, opportunities to maximize climate finance by enhancing the climate mitigation or climate adaptation benefits, and the project's alignment with the goals of the Paris Agreement.

**Figure 2**

Climate change management through the business cycle (for illustrative purposes)



## Increasing MIGA's Support to Cross-Border Climate Finance Investments

MIGA long-maturity guarantees enable capital flows in support of private finance for projects with strong climate impact in high-risk countries through the use of blended finance and risk-sharing facilities. MIGA works alongside the World Bank and IFC to implement the World Bank Group's "Cascade Approach" which is a set of principles that establishes the priority of private sector solutions wherever appropriate in order to optimize the use of public sector resources. The Cascade Approach encourages engagement "upstream" with governments to strengthen the enabling conditions to unlock more private capital for climate action. This facilitates MIGA's opportunities to engage "downstream," to de-risk private sector participation in projects and then leverage its partnerships with the reinsurance market to use MIGA's capital base efficiently.

Climate action requires substantial private capital, and MIGA's political risk insurance and credit enhancement products continue to play an instrumental role in mobilizing and directing cross-border investments to lower GHG alternatives that are also climate resilient. Private investors deploying capital into low- and middle-income countries are faced with multiple challenges, including non-commercial risks and a dearth of bankable high quality climate projects and non-commercial risks.

Working alongside the World Bank and IFC, MIGA supports its eligible member countries in defining implementation plans and project pipelines that are aligned with their national climate change commitments. To complement this, as the "rulebook" of the Paris Agreement continues to be defined, MIGA is actively innovating the application of its guarantees to meet the needs of investors looking to participate in new climate markets, for example, in carbon markets established under Article 6 of the Paris Agreement.

MIGA also recognizes that financial institutions play a critical role in building economies, but that the performance of these institutions will be challenged by climate change, and, in particular, for those institutions with balance sheets heavily exposed to transition or physical climate-related risks. As such, MIGA's operations continue to focus on mobilizing climate finance through financial institutions which commit to use MIGA guaranteed funds or capital optimization guarantees to grow their climate finance loan books and move away from investments in coal and other non-Paris aligned activities.

To address non-commercial risks, MIGA provides political risk insurance and credit enhancement guarantees, both of which boost investor confidence in the safety of investments and encourage the flow of foreign investment for sustainable purposes. As a member of the World Bank Group, MIGA is well placed to resolve potential disagreements between the private sector and government and deter actions that could disrupt guaranteed investments. This role is critical for the materialization of the long-term gains of climate change mitigation and adaptation investments.

In FY23, MIGA issued guarantees in support of debt and equity investments of around \$5.5 billion<sup>1</sup> of which \$1.53 billion supported climate change mitigation or adaptation in 23 countries across four regions, representing 27.7 percent of guaranteed investment in FY23.



1. MIGA's total gross issuance in FY23 was \$6.4 billion of which around \$5.5 billion represented underlying loan and equity investments guaranteed. The difference between the \$6.4 billion and the \$5.5 billion represents guaranteed amounts pertaining to financing for other costs than the underlying investments (e.g., future interest payments, financing of premium payments). Beginning in FY22, MIGA's climate finance target is computed as a percentage of the underlying loan and equity investments guaranteed instead of the total gross guarantee issuance.



## Implementing the World Bank Group Climate Change Action Plan (CCAP) 2021–2025

The World Bank Group **CCAP** aims to integrate climate with development and advance the World Bank Group’s Green, Resilient and Inclusive Development objectives by focusing on people, natural capital and partners. The CCAP reflects the World Bank Group’s ambition to support its public and private sector clients to maximize the impact of climate finance, aiming for measurable improvements in climate adaptation and resilience and reductions in GHG emissions. The CCAP objectives include: (i) integrating climate and development; (ii) prioritizing key systems transitions by identifying the largest climate mitigation and adaptation opportunities; and (iii) driving climate finance and leveraging private capital to deliver the maximum results.

### Integrating Climate and Development

Addressing climate change is a priority area for MIGA, along with support for low-income countries and countries facing fragility, conflict and violence. MIGA’s climate strategy reflects the ambition of the commitments made in the CCAP, **MIGA’s Strategy and Business Outlook (FY21–23)** and **MIGA’s Strategy and Business Outlook (FY24–26)** to deepen its impact. MIGA’s commitments under the CCAP include:

- Increasing the share of MIGA guarantees toward climate mitigation and adaptation to an average of 35 percent of MIGA’s overall business during the 2021 to 2025 period;
- Working with the World Bank and IFC to produce the World Bank Group’s own dedicated country climate and development diagnostics, the CCDRs. These diagnostics will help countries align their climate action and development agendas by capturing key mechanisms by which climate change is affecting economic, environmental and social support systems. The Reports aim to identify the main pathways and priority actions to reduce GHG emissions and climate vulnerabilities;
- Mobilizing more private capital toward climate action through innovative applications of MIGA’s political risk insurance and credit enhancement products in high climate-impact sectors;
- Aligning MIGA’s financial flows with the low-carbon and climate-resilient objectives of the Paris Agreement by (i) ensuring that 85 percent of new Board-approved operations are aligned with the goals of the Paris Agreement starting July 1, 2023, and 100 percent starting July 1, 2025 (which has required beginning to align 100 percent of MIGA’s projects at an early stage, well ahead of July 1, 2023). These timelines apply to both MIGA’s real sector guarantee projects and financial intermediary guarantee projects; and

- Boosting private sector investment that integrates climate risk management measures and supports adaptation and resilience by screening all proposed MIGA guarantees for physical climate risks.

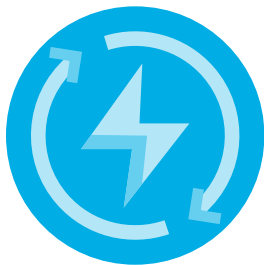
To assist clients, MIGA also administers multiple trust funds including two trust funds established in FY22:

- the Renewable Energy Catalyst Trust Fund, which is designed to support renewable energy projects, providing solutions such as a first-loss layers, reinsurance, direct technical assistance or grants to facilitate project development; and
- the Fund for Advancing Sustainability Trust Fund, which aims to enhance the sustainable development impacts of MIGA projects and mitigate their risks by delivering direct technical assistance through third-party service providers, and through technical assistance grants.



## Prioritizing Key Systems Transitions

During FY23, MIGA focused on **six strategic areas** for its climate business: clean energy, climate-resilient infrastructure, green buildings, low-carbon transportation, climate-smart agriculture, and greening financial systems. Support for these sectors is critical to ensure MIGA's client countries align their development with low-carbon and climate-resilient pathways. To ensure intended development objectives are achieved and gains are sustained, MIGA evaluates the materiality of both physical and transition climate-related risks for all sectors and aims to define appropriate risk mitigation measures where necessary.



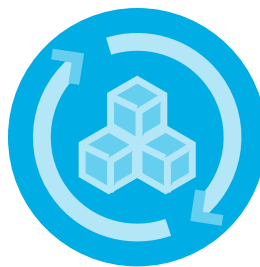
### Clean Energy

The energy sector is the largest contributor to global GHG emissions, and MIGA is supporting countries in decarbonizing their energy sectors by mobilizing private sector financing for utility-scale renewable power generation; off-grid, mini-grid and

microgrid co-generation with battery energy storage systems; modernization and expansion of transmission and distribution infrastructure; decommissioning and replacement of inefficient carbon intensive power generation; demand-side management; and power system planning.

In FY23, the World Bank Group announced an innovative initiative to accelerate electrification in Africa, the Distributed Access through Renewable Energy Scale-Up Platform (DARES). DARES is designed to promote private investments in distributed renewable energy systems with a focus on mini-grids, off-grid solar markets, solar systems for schools and health facilities, and solar irrigation. Through DARES, MIGA continues to deploy its de-risking instruments to attract private capital to assist Africa with achieving universal access to electricity by 2030. MIGA, in collaboration with the World Bank and IFC, is also working with its clients to support the phase out of coal, including through innovative financing and applications of its de-risking and credit enhancement instruments. The transition away from coal must be done justly, with due attention to people in coal-producing regions and related livelihood effects. The World Bank Group stopped direct financing of new utility-scale coal-fired power projects in 2013, and as of 2019 the World Bank Group does not support upstream oil and natural gas.

In specific cases, natural gas-based power generation may be useful in accelerating the transition away from coal by improving power supply reliability and grid stability, allowing for higher penetration of utility-scale renewable power generation. However, MIGA only supports these investments if they are consistent with national climate change commitments and strategies, a decarbonization pathway, and do not result in carbon lock-in or stranded assets.



### Climate-resilient infrastructure

Infrastructure is critical for economic growth and development, but as these assets are stationary and intended to operate over a long-life span, climate change is expected to disrupt critical systems, increase operating costs, and potentially

accelerate the decommissioning of climate vulnerable components. Over FY23, MIGA has accelerated its focus on defining climate adaptation and resilience building requirements for infrastructure investments. These measures are informed by climate risk assessments which employ localized climate hazard datasets and projections to identify if climate change allowances should be incorporated into the engineering design, and if climate risk management policies, plans and procedures should be included in project operations. For example, for coastal infrastructure projects such as ports, MIGA assess both acute and chronic climate hazards such as coastal storm surge, tropical cyclones, and sea-level rise.

Based on projections of climate hazard occurrence and the materiality of expected impacts, MIGA works with its clients to determine the costs of inaction and the benefits of investments in climate adaptation and resilience building measures. Notably, for infrastructure investments, business as usual design considerations to mitigate climate hazards which do not incorporate climate change are not considered to be climate resilient. For example, a motorway with road drainage that does not factor changes in precipitation and flood occurrence as a result of climate change, is not considered to be climate resilient. Over the last fiscal year, the share of infrastructure projects with climate adaptation and resilience-building components has increased significantly. This is a result of MIGA's increased engagement with project engineers and lenders to direct MIGA guarantees to specific, measurable, structural, and non-structural resilience building interventions.



### Green Buildings

MIGA continues to grow its green-building business, both through de-risking project finance for asset owners in the healthcare and tourism sectors and by supporting financial intermediaries who are developing financial instruments

such as green mortgages or loan programs for energy efficiency improvements in small to medium-sized enterprises. In FY23, the results of MIGA's political risk guarantees in support of greening interventions were demonstrated by a large real estate private equity platform in Sub-Saharan Africa. This fund acquires, rehabilitates and achieves green building certification for assets in the hospitality sector across ten countries. To date, MIGA has

supported the acquisition and rehabilitation of 13 hotels, eight of which have been certified as green buildings, with the remaining buildings currently undergoing evaluations. Of the eight certified hotels, six have reported to MIGA that, as a result of achieving green building certification, average energy and water savings of 917 MWh/year and 6,257 m<sup>3</sup>/year are expected, leading to a total reduction of over 2,500 tons of CO<sub>2</sub>e/year for the six hotels.

MIGA is also working with municipalities on expanding and protecting green urban areas; building community spaces to enhance neighborhoods; improving solid waste and wastewater treatment; rehabilitating stormwater drainage systems; expanding healthcare infrastructure; and installing energy efficient street lighting.

### Low-carbon Transport



The movement of goods and people is central to sustaining economic development, yet transportation systems are a significant source of GHG emissions and operate over large footprints, complicating climate resilience efforts. Following the World Bank, MIGA has adopted the “Avoid-Shift-Improve+Resilience” (ASI+R) approach for decarbonizing transportation systems. Specifically, this approach calls for: avoiding carbon intensive transportation modes (“A”) by providing alternatives; shifting transportation modes to mass transport, non-motorized and multi-modal options (“S”); improving transportation-related emissions through the deployment of electric mobility, rapid bus transit, and effective traffic management (“I”); and investing in resilience building to limit the impacts of climate change on the performance of transportation systems (“R”). In actioning this approach over FY23, MIGA has issued guarantees in support of electric mobility, fleets and supporting infrastructure; ports; and rehabilitation projects for rural and peri-urban roads. All transportation investments in greenfield road projects are checked to ensure they align with low-carbon transportation strategies, and that any fossil-fuel-intensive transportation systems do not delay or prevent the transition to lower-carbon alternatives.



### Climate-smart agriculture

The agricultural sector is among the most sensitive to climate change, and MIGA is increasing its support for climate-smart agriculture to enhance productivity, reduce GHG emissions and improve climate resilience. By de-risking cross-border investments for agriculture, MIGA is tackling food insecurity

by also encouraging technology and skills transfers to boost

local practices. In addition, by focusing along the entire agricultural value chain, MIGA is aiming to augment resource efficiency, increase productivity and net returns, reduce food insecurity, and improve gender inclusion. In FY23, MIGA continued to provide support for critical climate-smart agricultural projects in the world’s poorest and most fragile countries. These projects employ innovative practices to boost resource efficiency while increasing productivity beyond normal farming practices.



### Greening Financial Institutions

MIGA is also prioritizing the use of its guarantee products to support **the greening of financial institutions**, with a focus on promoting climate-friendly, sustainable financing practices. MIGA’s engagement with financial institution clients is serving

to channel the use of proceeds of MIGA-supported finance—or the capital relief facilitated by MIGA’s capital optimization product—toward climate adaptation and mitigation investments. For example, in FY23, MIGA guarantees enabled commitments by financial institutions to deliver over \$700 million towards climate finance. In addition, MIGA no longer supports financial institution clients that do not have a plan to phase out their investments in coal and coal-related projects over an agreed period, but no later than 2030.

In working with its financial institution clients in FY24 on aligning their operations with the goals of the Paris Agreement, MIGA is adopting two approaches consistent with the Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment pertaining to Intermediated Finance: (i) a transaction-based approach that aims to ensure that the defined use of proceeds supported by the MIGA guarantee are consistent with low-carbon and climate-resilient development; and (ii) a counter-party-based approach when the use of proceeds is not defined, in which case MIGA will require its financial institution clients to develop and implement internal carbon and climate-risk management systems and gradually increase their exposure to Paris-aligned activities.

# Risk Management

In assessing the materiality of climate change risks, MIGA works with its clients to evaluate climate risk sources and risk vectors for climate sensitive sectors (see Table 1). MIGA adopts a bottom-up approach, which is location-, context- and time-specific, and focuses on past, present and future climate-related vulnerabilities. The assessments include both acute climate hazards (e.g., extreme events such as floods, heatwaves, fires, and tropical cyclones) and chronic climate hazards (e.g., sea-level rise, changing precipitation and temperature patterns, and water scarcity) that are evaluated over multiple future time horizons and global warming scenarios. In defining risk mitigation measures, MIGA's approach is centered on helping clients:

**1. Evaluate and characterize the materiality of expected climate impacts;**

**2. Identify the costs and benefits of action and inaction;**

**3. Define structural and non-structural improvements, including through factoring “climate change allowances” into relevant design criteria; and**

**4. Implement risk monitoring through technologies, operational procedures, and policies.**

For example, for a solar power generation project which is exposed to increasing cloud cover, temperatures and floods, MIGA would work with its client to ensure that the solar irradiation analysis factors in climate change projections; consider if more heat-resistant photovoltaic cells can be used; recommend that cooling systems be implemented; check if control systems to rotate solar panels based on weather conditions are an option; evaluate if the on-site stormwater drainage infrastructure can adequately collect and convey heavy precipitation; determine if public authorities are taking broader action to reduce climate impacts in the project region; and define necessary operational and maintenance procedures.

**Table 1**  
Climate Change Risks: Renewable Energy risk sources and risk vectors

Sector	Sub-Sector	Risk Sources	Risk Vectors
Energy	RE generation (Solar)	Temperature, Precipitation, Wind	<ul style="list-style-type: none"> <li>● Performance of PV cells decreases as temperatures increase.</li> <li>● Increasing cloud cover decreases power output.</li> <li>● Increasing relative humidity increases solar light refraction and reflection which can decrease power output.</li> <li>● Dust storms can lead to performance issues for the solar panels.</li> <li>● Storms and other extreme weather events can lead to physical damage and operational issues.</li> </ul>
	RE generation (Wind)	Wind, Temperature	<ul style="list-style-type: none"> <li>● Decreasing wind speeds can decrease power output.</li> <li>● Extreme winds can cause high stress on turbines resulting in physical damage.</li> <li>● Increasing temperatures can impact air density which decreases power output.</li> </ul>
	RE generation (Hydro)	Precipitation, Temperature	<ul style="list-style-type: none"> <li>● Shifting precipitation patterns and seasonal changes in snow storage, can impact the hydrological regime of contributing watersheds, altering water availability and impacting power output.</li> <li>● Extreme precipitation or rapid melting of snowpack/glaciers can lead to flooding, increased scour and erosion, increased debris flows leading to blockages, and dam failures.</li> </ul>
	Transmission and Distribution	Temperature, Wind	<ul style="list-style-type: none"> <li>● High wind speeds can damage overhead lines.</li> <li>● High temperatures can lower a transmission line rating, increasing losses and reducing carrying capacity.</li> </ul>

MIGA also recognizes that increased losses and damages from frequent and severe extreme weather events, and the rapid political and legal changes that are fostering the transition to low-carbon development could also exacerbate political economy and legal and governance risks in MIGA's client countries (see Table 2). While the relationships may be imprecise and non-linear, climate impacts will depend on a confluence of economic factors (e.g., per capita income, sovereign debt levels, GDP growth potential, fiscal revenues as a percent of GDP, the quality of infrastructure, and the level of economic diversification) and political economy and governance factors (e.g., adherence to the rule of law, the strength of political institutions, regulatory frameworks, and climate policies).



Under the requirements of Performance Standard 3, Resource Efficiency and Pollution Prevention, all projects that are expected to generate more than 25,000 tons of carbon dioxide equivalent (tCO2e) annually must quantify and report to MIGA: (i) the direct emissions from the facilities owned or controlled within the physical boundary of the project; and (ii) the indirect emissions associated with the off-site production of power used by the project.

MIGA's contracts of guarantee increasingly are including climate-related action plans for projects where gaps have been identified during the project's due diligence. Monitoring requirements are also included, and MIGA's clients must submit Annual Monitoring Reports and status reports on the corrective action plans. In addition, MIGA staff may conduct periodic site monitoring visits to ensure compliance.

By aligning its operations with the goals of the Paris Agreement, MIGA seeks to support clients in ways that are consistent with a country's Nationally Determined Contributions, national long-term strategies and other climate commitments. MIGA applies the Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment to determine if MIGA's operations are aligned with low-carbon and climate-resilient pathways.

The principles include a list of operations which are considered universally aligned with the low-carbon goals of the Paris Agreement. These operations are considered to contribute directly to decarbonization pathways or are neutral to or do not hinder low-carbon growth. This list includes a broad range of sectors and asset types, such as renewable energy generation, transmission and distribution infrastructure, electric mobility and water supply infrastructure. However, operations that are included on the universally aligned list, but whose economic feasibility depends on fossil fuels, are required to undergo a more detailed assessment. This assessment is also applied to non-universally aligned operations and requires that operations are checked to ensure they are not inconsistent with a country's Nationally Determined Contributions, national long-term strategies, and sector-specific Paris alignment criteria; will not prevent opportunities to transition; or result in carbon lock-in, stranded assets or other transition risks.

**Table 2**  
Climate Change Risks: Impact on non-commercial risks

Risk Source	Risk Vector	Non-commercial risks
Physical risks 	<ul style="list-style-type: none"> <li>● Increased losses and damage to physical infrastructure.</li> <li>● Effects on economic production, output, and growth</li> <li>● Reduced public revenues as livelihoods are impacted.</li> <li>● Increased borrowing costs.</li> <li>● Reduced access to financial markets.</li> <li>● Increased human displacement, increased poverty, crime, and inequality.</li> </ul>	<ul style="list-style-type: none"> <li>● Increased risk of Breach of Contract, Expropriation, War and Civil Disturbance, Currency Inconvertibility and Transfer Risk.</li> <li>● Increased risk of government defaults.</li> </ul>
Transition risks 	<ul style="list-style-type: none"> <li>● Lower demand for fossil fuels, and carbon intensive products.</li> <li>● Changing national policies that render existing carbon-intensive activities less financially viable, increasing the potential for stranded assets e.g., carbon taxes.</li> <li>● Legal claims related to disclosure obligations or for the failure to mitigate climate risks.</li> </ul>	<ul style="list-style-type: none"> <li>● Increased risk of Breach of Contract, Expropriation, War and Civil Disturbance, Currency Inconvertibility and Transfer Risk.</li> </ul>

Aligning an operation with the adaptation and resilience goals of the Paris Agreement, entails conducting a climate risk assessment and working with clients to embed measures that manage material physical climate risks that may impact the project’s performance. Operations are also assessed to ensure they are aligned with the respective countries’ national adaptation plans or policies on climate resilience, while not contributing to maladaptation.

MIGA will assess operations for Paris Alignment in the broader context of the World Bank Group’s mission of ending extreme poverty and boosting shared prosperity on a livable planet. This entails considering, among other things, equity concerns and the principle of common but differentiated responsibilities and respective capabilities, given countries’ differing national circumstances. MIGA has also started piloting a shadow carbon price to further address transition risks in its economic analysis of carbon-intensive projects.

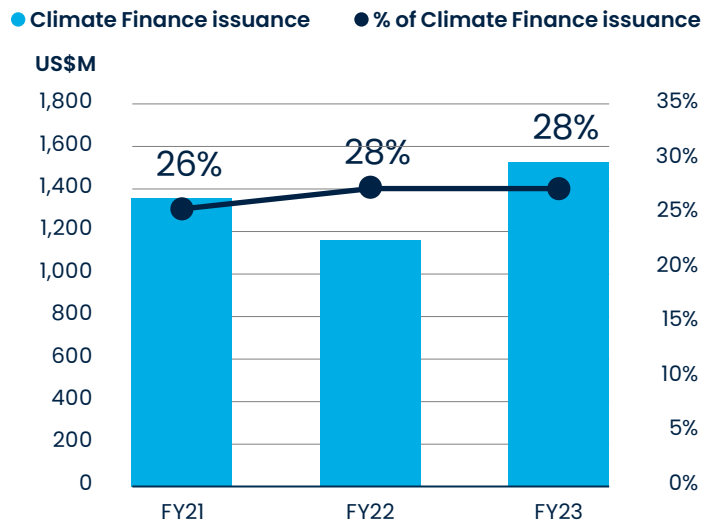
## Metrics and Targets

### Climate Change Targets

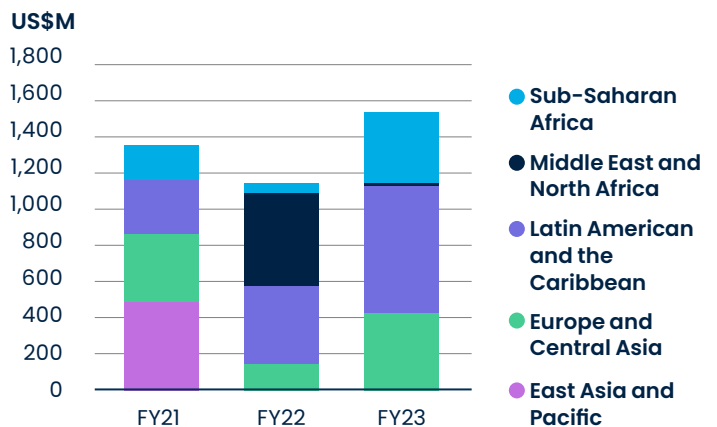
To support low-carbon and resilient development across sectors, MIGA continues to diversify its climate business and identify new areas of growth. Under the World Bank Group’s CCAP, 35 percent of MIGA’s gross issuance will consist of direct climate finance over the five-year period of 2021–25, on average. In addition, MIGA has made commitments for projects to be aligned with the low-carbon and climate-resilient development goals of the Paris Agreement. MIGA will align 85 percent of new operations starting July 1, 2023, and 100 percent of MIGA’s new operations by July 1, 2025.

In FY23, climate finance accounted for 27.7 percent of MIGA’s total guarantee investments (see Figure 3). By regional breakdown, the largest share of this issuance was provided to Latin America and the Caribbean followed by Sub-Saharan Africa (see Figure 4). However, these results show that MIGA’s climate finance issuance supports low-carbon and climate-resilient projects across the regions where the World Bank Group operates, with little concentration in any particular region or sector. Exposures to the various sectors during FY21–FY23 show that climate financing through financial intermediaries (which support activities across sectors) is the largest sectoral exposure, at 41 percent, followed by green buildings at 25 percent and renewable energy at 23 percent (see Figure 5).

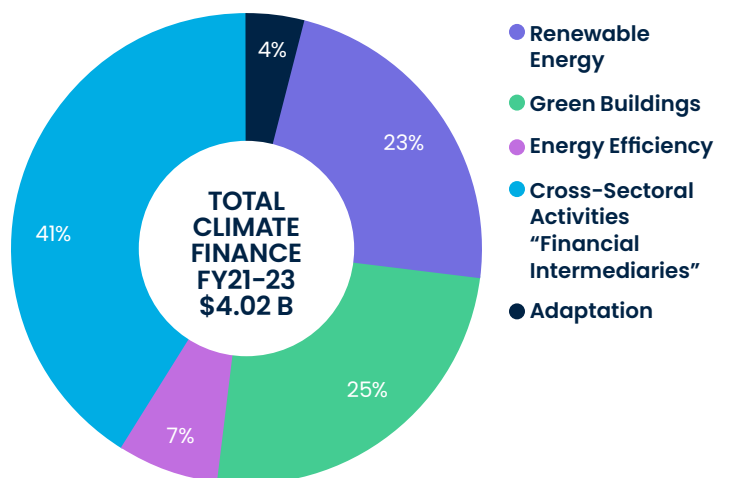
**Figure 3**  
MIGA’s climate finance issuance FY 21–23 (dollar value and as a percent of loan and equity investments guaranteed)



**Figure 4**  
MIGA’s climate finance issuance by region



**Figure 5**  
MIGA Climate Finance Issuance by Sector



## Development

Highlights of MIGA-supported projects' anticipated outcomes and results include:



**Projects signed in FY23 that support renewable energy and energy efficiency measures are expected to result in about 826,464 tons of avoided GHG emissions per year during the projects' lifetime;**



**Projects signed in FY23 are expected to mobilize \$1.8 billion in private finance for climate action over the projects' lifetime, of which \$1.6 billion is direct private sector climate finance mobilized and \$0.2 billion indirect private sector climate finance mobilized; and**



**Projects signed in FY23 in support of financial institutions are expected to enable over the projects' lifetime over \$700 million in finance for climate action.**

MIGA has developed an internal Impact Performance Assessment and Comparison Tool (IMPACT), which is used to assess, and rate expected project-specific outcomes (including those related to climate outcomes), as well as "beyond-the-project" outcomes that provide positive demonstration effects to cross-border investors (including those pertaining to environment and climate). Before approval, all projects are assessed and rated in line with the IMPACT process for expected development outcomes. Projects that support expected positive climate outcomes are expected to deliver better development outcomes and receive higher scores than equivalent projects without these benefits.



## Greenhouse Gas (GHG) Emissions and Footprint

MIGA continues to calculate and report GHG emissions avoided (tCO<sub>2</sub>e/year) and GHG gross emissions ("Scope 1 and 2"). MIGA calculates gross GHG emissions for all real-sector projects with emissions of more than 25,000 tCO<sub>2</sub>e annually. MIGA continues to disclose ex ante estimated annual gross GHG emissions through the publicly available Environmental and Social Review Summary available for all MIGA projects.

From FY19 to FY20, MIGA reduced its travel-related carbon footprint from 2,018 tCO<sub>2</sub>e to 1,414 tCO<sub>2</sub>e. For FY22 (the most recent data available), MIGA further lowered its travel-related carbon footprint to 489 tCO<sub>2</sub>e<sup>2</sup>.

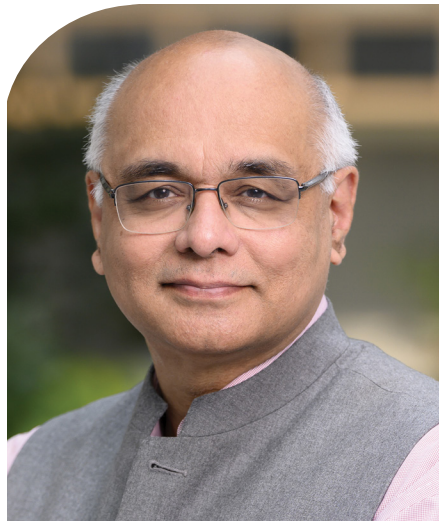
2. In FY21, MIGA's travel-related carbon footprint declined to only 20 metric tCO<sub>2</sub>e owing to the significant reduction in business travel resulting from the COVID-19 pandemic.

# Who We Are

---



**Hiroshi Matano**  
Executive  
Vice President



**Junaid Kamal Ahmad**  
Vice President, Operations



**Ethiopis Tafara**  
Vice President and  
Chief Risk, Legal  
and Administrative  
Officer



**Muhamet Bamba Fall**  
Director, Operations



**Deepti Jerath**  
Director, Finance  
and Risk



**Aradhana  
Kumar-Capoor**  
Director and General  
Counsel



# Contact Information

---

## SENIOR MANAGEMENT

### Hiroshi Matano

Executive Vice President  
hmatano@worldbank.org

### Junaid Kamal Ahmad

Vice President, Operations  
jahmad@worldbank.org

### Ethiopsis Tafara

Vice President and Chief Risk, Legal  
and Administrative Officer and  
Partnerships  
etafara@worldbank.org

### Muhamet Bamba Fall

Director, Operations  
mfall3@worldbank.org

### Deepti Jerath

Director Finance and Risk  
djerath@worldbank.org

### Aradhana Kumar-Capoor

Director and General Counsel  
akumarcapoor@worldbank.org

### Hiroyuki Hatashima

Acting Director, Economics and  
Sustainability  
hhatashima@worldbank.org

## SECTORS

### Nabil Fawaz

Global Head and Sector Manager,  
Manufacturing, Agribusiness, and  
Services  
nfawaz@worldbank.org

### Christopher Millward

Global Head and Sector Manager,  
Finance and Capital Markets  
cmillward@worldbank.org

### Elena Palei

Global Head and Sector Manager,  
Infrastructure – Transport, Water and  
Sanitation, and Telecom  
epalei@worldbank.org

### Marcus Williams

Global Head and Sector Manager,  
Energy and Extractive Industries  
mwilliams5@worldbank.org

## REGIONAL

### Layali Abdeen

Senior Underwriter, and Regional Head  
of MENA  
labdeen@worldbank.org

### Rouzbeh Ashayeri

Senior Underwriter, North America  
Business Origination  
rashayeri@worldbank.org

### Yann Burtin

Head, Western Europe  
yburtin@worldbank.org

### Lin Cheng

Representative, China and  
Underwriter  
lchengl@worldbank.org

### Olga Calabozo Garrido

Head, Latin America  
and the Caribbean  
ocalabozogarrido@worldbank.org

### Shuichi Hayashida

Head, West and Central Africa  
shayashida@worldbank.org

### Tim Histed

Head, South East Asia  
and Australasia  
thisted@worldbank.org

### Jaeyoung Jin

Head, North Asia  
(China, Mongolia, Korea)  
jjin1@worldbank.org

### Jae Hyung Kwon

Head, South Asia  
jkwon@worldbank.org

### Nkemjika Onwuamaegbu

Vice President and Chief Risk, Legal  
and Administration Officer and  
Partnerships  
nonwuamaegbu@worldbank.org

### Olga Sclovsciaia

Regional Head, Eastern Europe  
and Central Asia  
osclovsciaia@worldbank.org

### Susumu Takahashi

Head, Japan  
stakahashi2@worldbank.org

## ACCOUNTING AND REPORTING

### Thomas Obuya

Controller  
tobuya@worldbank.org

## REINSURANCE

### Frank Linden

Head, Reinsurance  
flinden@worldbank.org

## ECONOMICS AND SUSTAINABILITY

### Yasser Ibrahim

Sector Manager, Sustainability 1  
yibrahim@worldbank.org

### Moritz Nebe

Sector Manager, Economics Unit  
mnebe@worldbank.org

### Kate Wallace

Sector Manager, Sustainability 2  
KWallace@worldbank.org

### Hiroyuki Hatashima

Chief Evaluation Officer  
hhatashima@worldbank.org

## PORTFOLIO MANAGEMENT

### Hoda Moustafa

Global Head of Portfolio  
hmoustafa@worldbank.org

## PARTNERSHIPS

### Laura Alonzo

Co-head of Partnerships  
lalonzo@worldbank.org

### Chinwe Binitie

Co-head of Partnerships  
cbinitie@worldbank.org

## BUSINESS INQUIRIES

migainquiry@worldbank.org

## Photo Credits

---

Cover: Unsplash/Olena Bohovyk; Unsplash/Robin Noguier  
Unsplash/American Public Power Association  
Page 2: Grant Ellis/World Bank  
Page 4: Unsplash/Nina Patrikka  
Page 5: Grant Ellis/World Bank  
Page 6: Istock/artJazz  
Page 6: Istock/PeopleImages  
Page 6: Unsplash/Ia Huh  
Page 7: Istock/Drazen  
Page 9: Shutter Stock/Riccardo Mayer  
Page 10: Unsplash/Annie Spratt  
Page 11: Pexels/Gustavo Queiroz  
Page 12: Istock/Thinnapob  
Page 13: Shutter Stock/BearFotos; Istock/Teamjackson  
Page 14: Istock/Akarawut Lohacharoenvanich  
Page 15: Istock/PixelCatchers  
Page 16: Istock/AJ\_Watt; Shutter Stock/SorbyPhoto  
Page 17: Istock/UserG115667539  
Page 19: Unsplash/Renzo D Souza  
Page 20: Unsplash/Karsten Wurth  
Page 23: Unsplash/Noaa  
Page 24: Unsplash/Greg Becker  
Page 25: Istock/Hiraman  
Page 26: Istock/michaeljung  
Page 27: Unsplash/Noaa  
Page 28: Shutter Stock/Trismegist san; Shutter Stock/Frame Stock  
Footage; Shutter Stock/Chay\_Tee; Istock/AegeanBlue; Istock/Thanakorn Lappattaranan; Istock/piyaset  
Page 30: missing credit James Magor  
Page 31: Shutter Stock/RolandsBoss  
Page 32: Shutter Stock/Mamunur Rashid  
Page 33: Unsplash/Roxanne Desgagnes  
Page 34: Istock/GCShutter  
Page 36: Istock/supersizer; Shutter Stock/Gorodenkoff; Pexels/Sora Shimazaki; Shutter Stock/fizkes; Shutter Stock/PeopleImages.com - Yuri A  
Page 38: Unsplash/Alex Duffy  
Page 39: Istock/jaminwell  
Page 40: Shutter Stock/Fotokostic; Istock/jimfeng  
Page 41: Shutter Stock/Westend61 on Offset  
Page 42: missing credit Sally Johnson  
Page 43: Shutter Stock/Matt Starling Photography  
Page 45: Unsplash/Reiseuhu  
Page 46: Unsplash/Doug Linstead  
Page 47: Shutter Stock/Bumble Dee; Istock/Giselleflissak  
Page 48: Istock/Brothers91; Istock/Jan-Schneckenhaus  
Page 49: Istock/poco\_bw  
Page 50: Istock/Thai Liang Lim; Shutter Stock/fizkes; Shutter Stock/Waleed\_Hammoudeh  
Page 51: Istock/pixelfusion3d  
Page 52: Courtesy of Bancoldex  
Page 53: Istock/FrankRamspott  
Page 56: Unsplash/Chuttersnap  
Page 57: Istock/photoschmidt  
Page 58: Istock/prostooleh  
Page 62: Shetter Stock/humphery; Istock/baranozdemir  
Page 64: Shutter Stock/Aleksandar Malivuk; Istock/Laurence Dutton; Istock/Jacinto benavente madrid; Shutter Stock/Torychemistry  
Page 65: (top, left to right) Grant Ellis/World Bank; (bottom, left and middle) Grant Ellis/World Bank; (bottom right) Ian Foulk/World Bank  
Back Cover: Shutterstock/VAKS-Stock Agency; Unsplash/Martin Bennie; Unsplash/Emmanuel Ikwuegbu

Design by [ahoystudios.com](http://ahoystudios.com)

## Copyrights and Credits

---

© 2023 Multilateral Investment Guarantee Agency (MIGA)  
1818 H Street NW, Washington, DC 20433  
<http://www.miga.org/>

This work is a product of staff of the Multilateral Investment Guarantee Agency (MIGA) with external contributions. MIGA does not guarantee the accuracy, reliability or completeness of the content included in this work, or the conclusions or judgments described herein, and accepts no responsibility or liability for any omissions or errors (including, without limitation, typographical errors and technical errors) in the content whatsoever or for reliance thereon. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of MIGA concerning the legal status of any territory or the endorsement or acceptance of such boundaries. The findings, interpretations, and conclusions expressed in this volume do not necessarily reflect the views of MIGA, its Boards of Directors, and the governments they represent.

The contents of this work are intended for general informational purposes only and are not intended to constitute legal, securities, or investment advice, an opinion regarding the appropriateness of any investment, or a solicitation of any type. Additionally, the information is provided on a strictly “as-is” basis, without any assurance or representation of any kind. Nothing herein shall constitute or be construed or considered to be a limitation upon or waiver of the privileges and immunities of the Multilateral Investment Guarantee Agency, all of which are specifically reserved.

## Rights and Permissions

---

The material in this work is subject to copyright. Because MIGA encourages dissemination of its knowledge, this work may be reproduced, in whole or in part, for noncommercial purposes as long as full attribution to this work is given and all further permissions that may be required for such use (as noted herein) are acquired. MIGA does not warrant that the content contained in this work will not infringe on the rights of third parties, and accepts no responsibility or liability in this regard. The risk of claims resulting from such infringement rests solely with you. If you wish to reuse a component of the work, it is your responsibility to determine whether permission is needed for that reuse and to obtain permission from the copyright owner. Examples of components can include, but are not limited to, tables, figures, or images. All queries on rights and licenses should be addressed to MIGA’s Legal Affairs and Claims Group (Attn: Chief Counsel, Operations & Policy), 1818 H Street NW, U12-1204, Washington, DC 20433.



**WORLD BANK GROUP**

**THE WORLD BANK**  
IBRD · IDA

**IFC** International  
Finance Corporation

**MIGA** Multilateral Investment  
Guarantee Agency



Since its inception in 1988, the Agency has issued \$76.3 billion of guarantees in support of over 1,000 projects in 123 host countries.



**MIGA.ORG**