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Note: As part of their contributions to the RECLAIM POWER global days of action in October 2016 for energy transformation, several Reclaim Power organizations collaborated on these series of breifing papers on dirty, harmful energy sources and false energy solutions that contribute to climate change and endanger people's lives and welfare.

RESIST DIRTY HARMFUL ENERGY AND FALSE ENERGY SOLUTIONS

THE WORLD BANK

FUELING CLIMATE CHANGE

The World Bank Group claims that their goals are to end extreme poverty at the global level within a generation and promote what may be called "shared prosperity" or a sustainable increase in the well-being of the poorer segments of society[1]. It also acknowledges that climate change hits the world's poorest people hardest[2] and would push an estimated 100 million people back into poverty over the next 15 years.[3]

Typically, however, the WBG contradicts its own goals with its lending practices and funding priorities. The WB in particular has long been criticized for supporting projects that contribute further to the release of greenhouse gases into the atmosphere, thereby accelerating global warming and exacerbating climate change. In response, it has launched several climate-related programs since 1999.

Carbon finance: In 1999, the Bank launched the Prototype Carbon Fund (PCF) to experiment with a North-South market-based emissions trading scheme.[4] The Bank now acts as the trustee of 15 carbon initiatives. The first 10 carbon funds and facilities are capitalized at $2.3 billion. Its six most recent carbon instruments have a total fund allocation of more than $1 billion and $0.5 billion committed for technical assistance.[5]

Strategic Framework for Development and Climate Change: This was released in 2008 to guide operational responses of the WBG to new development challenges posed by global climate change.[6] It did not substantively prioritize "new" renewable energy or decentralized, locally-driven mitigation or adaptation efforts. The potential of clean technologies and low-carbon projects in the strategy was undercut by the Bank's weak definitions of "clean" and "low-carbon," and the reluctance to put in place GHG accounting.[7]

Climate Investment Funds (CIFs): Also in 2008, the Bank launched the Clean Technology Fund CTF), Pilot Program for Climate Resilience, Forest Investment Program and Scaling-up Renewable Energy Program. Financed by donors, the CIFs have total pledges of $8.3 billion – mainly dedicated to the CTF. The CIFs have been criticized for the lack of public consultation, a heavy private sector focus and, subject to donor interests. .[8]

Climate Business: The International Finance Corporation (IFC), the private sector arm of the WB, also works on climate by catalyzing resources that incentivize private companies to get involved with financing renewable energy, energy efficiency and emission reductions. The IFC is set to increase its climate-related financing by 28 percent or $16 billion in 2020, representing a one-third increase in climate financing.[9]

In 2013, the WBG released the policy document "Towards a Sustainable Energy Future for All", which sets the direction for the WBG's engagements in the energy sector. The document states that the WBG will only provide financing for coal projects in "rare circumstances", such as the lack of feasible alternatives to coal or a lack of financing for coal power.[10]

It would also consider support for new investments as well as existing coal-fired plants with operating carbon capture elements.

The WBG also commits to continue investing in various carbon intensive industrial and commercial processes—such as steel, cement, and other manufacturing operations.

Part of its supposed departure from coal is the increase of financing for natural gas. Although the WBG recognizes natural gas as a fossil fuel, it is rationalized as having a lower carbon intensity than coal and oil. The WBG seek to increase investments across the entire natural gas exploration, production and downstream supply chain.

World Bank breaks commitments, continues to finance fossil fuels

WB president Jim Yong Kim has since been making pronouncements favoring the scrapping of fossil fuel subsidies and the levying of a carbon tax to discourage fossil fuel use by corporations and governments.[11] Notwithstanding its avowals to move away from fossil fuels, the World Bank has not stopped financing fossil fuel exploration, production and combustion.

- In Fiscal Year 2015, WBG financed over $313 million for 33 projects that included fossil fuel exploration and over $2 billion in fossil fuel projects in total.
- Between Fiscal Year 2011 - 2015, WBG investments in fossil fuel exploration, or projects that included fossil fuel exploration, amounted to more than $1.7 billion. Investments in all fossil fuel projects reached $12 billion during that period.
- The World Bank Board is considering a new proposed coal-fired power plant in Kosovo. Since Kosovo has cleaner energy alternatives, this move violates the World Bank's own commitments to stop financing new investments in coal power generation and to consider funding fossil fuel projects only under "rare circumstances".
- WBG has committed support for the Trans-Anatolian Natural Gas Pipeline Project, which will transport gas from Azerbaijan across Turkey to the border with Greece.[12]

The WBG must place people and planet first

Current moves of the WBG make it an active driver of catastrophic climate change. And by fueling the very climate crisis that has deepened peoples' poverty everywhere, it renders its own mandate of poverty reduction a farce.

In order to keep within range of the COP21 targets by limiting the increase to 1.5°C, and to significantly reduce risks and the impacts of climate change the World Bank must stop financing all fossil fuel projects, including exploration and support infrastructure and shift to building public and community renewable and clean energy systems that are compatible with the limits of the planet

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