

Readout: Secretary of the Treasury Janet L. Yellen's Meeting with the Heads and Private-Sector Leads of the Multilateral Development Banks to Discuss Climate Finance

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WASHINGTON – Today, Secretary of the Treasury Janet L. Yellen convened the heads and private-sector leads of several of the multilateral development banks (MDBs) to discuss ways that the MDBs can rapidly align their portfolios with the goals of the Paris Agreement and redouble their efforts to mobilize significantly more private capital for climate. Participants included U.S. Special Presidential Envoy for Climate John Kerry and representatives from the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group, and the World Bank Group.

Meeting participants explored ways for the MDBs to mobilize significantly more private-sector finance. Secretary Yellen urged the MDBs to evaluate internal incentives, structures, and practices to ensure that the organizations are orienting their efforts to maximize private capital mobilization toward climate change. Participants discussed how the MDBs can evolve their role further beyond the critical development finance they provide, including to help countries develop green bond markets to raise capital and to craft robust enabling environments to incentivize the private investment needed to meet the climate challenge. Secretary Yellen encouraged the MDBs to increase their focus on climate adaptation, particularly through private-sector operations, and to support developing countries in implementing ambitious emissions reduction measures and protecting critical ecosystems.

Secretary Yellen pledged to work with the MDBs to help them achieve these objectives and will reconvene the group to discuss their concrete plans in October on the sidelines of the 2021 Annual Meetings of the Boards of Governors of the IMF and the World Bank Group.