Remarks by World Bank Group President Jim Yong Kim at the Announcement of the Transformative Carbon Asset Facility

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World Bank Group President Jim Yong Kim

Announcement of the Transformative Carbon Asset Facility

Paris, France

As Prepared for Delivery

I am delighted to join Prime Minister Solberg of Norway and other partners from Sweden, Germany and Switzerland today to announce the Transformative Carbon Asset Facility.

Climate change is a fundamental threat to sustainable economic development and the fight against poverty. Without bold action now, the warming planet threatens to put prosperity out of reach of millions of people and roll back decades of development.

Working with client countries to mitigate emissions in innovative ways – such as through this new facility – will help us accelerate progress toward the World Bank Group’s twin goals of eliminating extreme poverty by 2030 and promoting shared prosperity in a sustainable manner.

The goal of this facility is to help developing countries transition from planning to implementing mitigation policies using carbon pricing mechanisms, by providing payments for results and, in the process, help achieve their climate objectives.

Collectively, our country partners expect to commit more than $250 million dollars next year to open the facility. It will remain open for additional
contributions and funders until an initial target of $500 million dollars is reached.

This facility is one of the new initiatives that the World Bank Group is announcing as a part of its commitment to actions by countries to avoid a 2 degree Celsius temperature rise.

New investments in clean energy and other climate smart-infrastructure are critical to achieving commitments made by developing countries. This facility will provide countries with incentives to implement carbon pricing measures and policies that have a lasting impact on mitigating climate change.

Once we reach our $500 million dollar target, the facility will leverage more than $2 billion dollars in financing from the World Bank Group and other sources.

Later this afternoon, I will be launching -- with heads of state -- the Carbon Pricing Leadership Coalition to support carbon pricing policies. This facility is a wonderful complement as it creates new incentives to shift toward low carbon development.

Thank you.