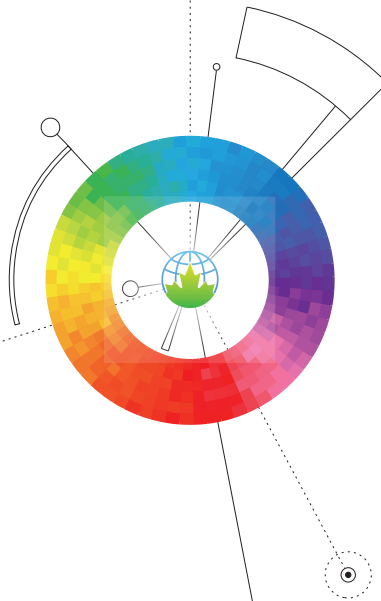


2017
CANADIAN
CLEAN TECHNOLOGY
INDUSTRY REPORT



GUEST EDITORIAL:
**WORLD BANK
GROUP**



Spotlight on the World Bank Group

Office of the Executive Director for Canada, Ireland, and the Caribbean
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Advisor with reference to World Bank Group material

Supporting Inclusive, Green Growth and Low-Carbon Economies

The World Bank Group continues to support the efforts of developing countries in a wide variety of projects in the cleantech sector, including energy access, renewable energy, energy efficiency, agriculture, water and wastewater, and forestry, to advance inclusive, green growth on a global scale.

Many of the priorities identified in the 2013 Canadian Clean Technology Industry Report remain relevant today. In fact, the need to support inclusive, green growth and low-carbon economies has become ever more evident. This heightened awareness has resulted in intensified global commitments of national governments and increased public and private investments in climate-related projects and initiatives, presenting more opportunities for the Canadian cleantech industry.

Institutional goals and increased climate commitments of the World Bank Group

Under the leadership of President Kim, the World Bank Group has set twin goals for 2030: (i) end extreme poverty by decreasing the percentage of people living on less than \$1.90 a day to no more than 3 percent; and (ii) promote shared prosperity by fostering the income growth of the bottom 40 percent of every country. In this context, climate change is seen as “a threat to the core mission of the World Bank Group,” as noted in the WBG’s Climate Change Action Plan, which was developed in support of the Paris Agreement. The WBG’s Climate Change Action Plan 2016–2020 reconfirms the WBG’s commitment to increasing the climate-related share of its portfolio from 21 to 28 percent by 2020 in response to client demand, with total financing (including leveraged co-financing) of potentially \$29 billion per year by 2020. The WBG has a climate team¹ dedicated to mainstreaming such efforts across the organization and the International Finance Corporation (IFC) has a Climate Business² team with four main objectives: to scale climate investments; catalyze private capital; maximize impact; and account for climate risk.

Several of the Sustainable Development Goals also support these objectives and the WBG will continue to work with partners and countries to prioritize such investments. These overarching goals underline the need for countries, multinational organizations, and the private sector to intensify efforts to support inclusive, green growth and low-carbon economies.

Examples of Existing Programs and New Areas of Activity

Many efforts are expanding to address development challenges. For instance, the World Bank Group remains an executing agency for trust funds in the cleantech space such as the Climate Investment Funds (including the Clean Technology Fund



and the Strategic Climate Fund), administers multi-donor trust funds such as the Energy Sector Management Assistance Program (ESMAP),³ and partners with the Global Environment Facility,⁴ Sustainable Energy for All and other agencies to implement projects. The World Bank Treasury also plays an active role in the issuance of Green Bonds,⁵ with more than \$9 billion issued in more than 125 transactions since 2008.

The Carbon Pricing Leadership Coalition⁶ was launched with the goal of expanding the use of effective carbon pricing policies that maintain competitiveness, create jobs, encourage innovation, and deliver meaningful emissions reductions, with the participation of Canadian national and provincial government leaders and private sector participation. The Carbon Pricing Panel was also established with heads of government and the support of private sector leaders.

A new flagship report was launched in February 2017: *RISE, Regulatory Indicators for Sustainable Energy: A Global Scorecard for Policy Makers*.⁷ It compares national policy and regulatory frameworks for sustainable energy based on twenty-seven indicators in the areas of energy access, energy efficiency, and renewable energy.

The IFC-Canada Climate Change Program, managed by IFC's Blended Finance team, is playing a critical role in expanding opportunities in clean energy, forestry, and climate adaptation through the use of concessional funds to catalyze investments in low-carbon technologies. IFC's Venture Capital⁸ group invests in innovative technologies or business models targeting emerging markets with a focus on cleantech and other priority sectors, and IFC's Catalyst Fund⁹ was created as a fund-of-funds providing growth capital for companies and projects that enable low-carbon power generation, energy efficiency, and related businesses.

As part of the "Billions to Trillions" agenda to address the global infrastructure financing gap, there are significant efforts underway at the WBG to develop new approaches to mobilize private capital. Scaling Solar is a recent example of a new way the WBG is working to unlock private investment in the power sector.

Insight on World Bank-financed Projects

Country Partnership Frameworks continue to be developed in collaboration with World Bank client countries to identify the main priorities and sectors of focus to guide public and private sector investments. These strategies provide useful insight into the types of projects and activities that will be prioritized and supported by the WBG over a four-to-five year horizon.

¹<http://www.worldbank.org/en/topic/climatechange>

²http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Climate+Business

³<https://www.esmap.org/overview>

⁴<https://www.thegef.org>

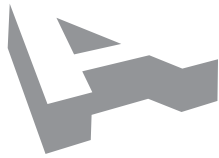
⁵<http://treasury.worldbank.org/cmd/htm/WorldBankGreenBonds.html>

⁶<https://www.carbonpricingleadership.org/>

⁷<http://rise.worldbank.org/>

⁸http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Venture+Capital

⁹<https://www.ifcamc.org/funds/ifc-catalyst-fund>



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