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National Development Banks: policy integration for climate

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Abbreviations and acronyms

DFIs	Development Finance Institutions
EMDEs	Emerging Markets and Developing Economies
FICS	Finance in Common Summit
INSE	Institute of New Structural Economics
MDB	Multilateral Development Bank
NAPs	National Adaptation Plans
NDBs	National Development Bank
NDCs	Nationally Determined Contributions
PDBs	Public Development Banks
SIDS	Small Island Developing States

Executive summary

Addressing the climate crisis is one of the hardest and most pressing challenges of this century. Whereas much of the climate discussion focuses on the global level and the need for cooperation and collaboration, the Paris Agreement was based on a country-centric response, embedded in Nationally Determined Contributions (NDCs): countries' official commitments to reducing greenhouse gas emissions, adapting to climate impacts and (in some cases) financing or supporting climate action. Under the Cancun Adaptation Framework (re-emphasised under the Paris Agreement), countries can also adopt National Adaptation Plans (NAPs) to update and improve the adaptation elements of NDCs.

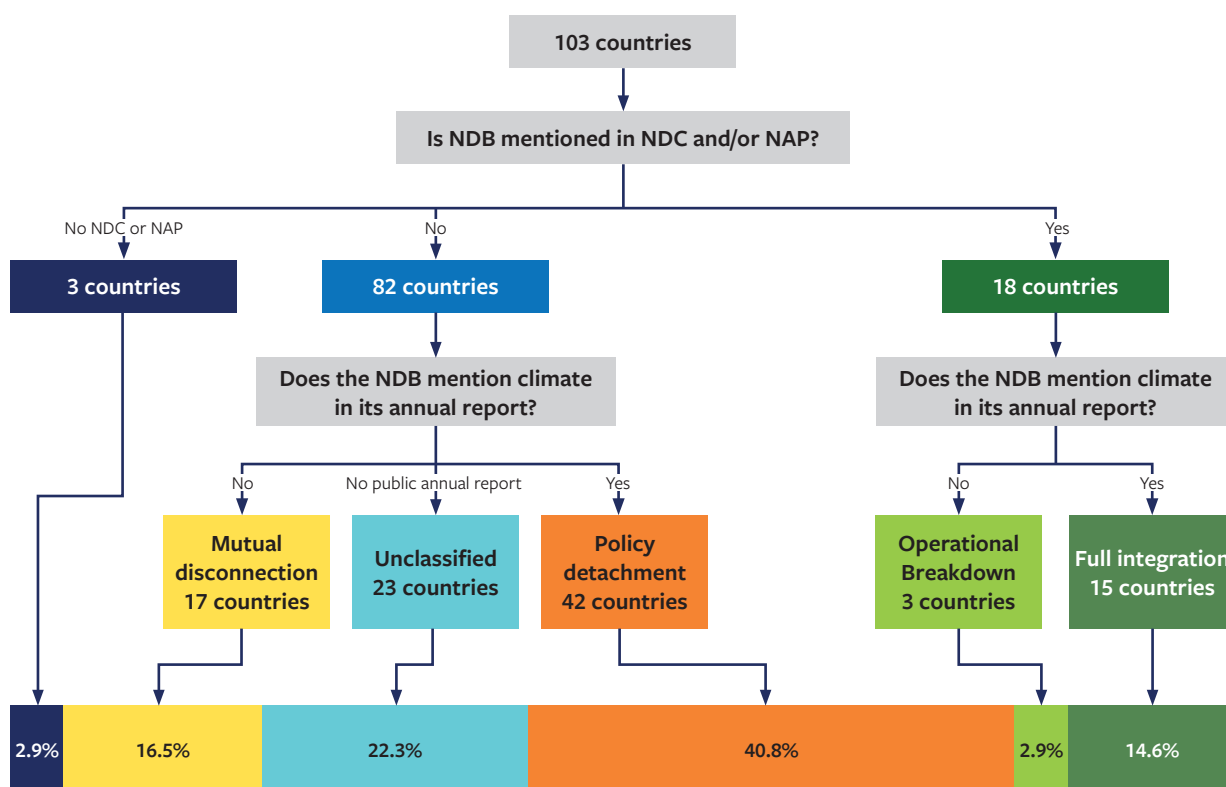
Thus, it would be expected that many countries would want to leverage their national development bank(s) (NDBs) to support the considerable investment needs that both NDC and NAP implementation typically require from the domestic public and private sectors. Such strategies have emerged with the launch of Just Energy Transition Partnerships, and more broadly Country Platforms, where NDBs sometimes emerged as pivotal financial intermediaries, building local project pipelines and channelling external finance from multilateral development banks (MDBs) and vertical climate funds. Doing this would require that national climate policies and NDBs' mandates and strategies are *aligned*, i.e. whilst remaining independent, share common goals, priorities or principles, or *integrated*, i.e. both the NDBs and national climate policies are interconnected and operate as a coordinated whole.

No research to date has attempted to measure the extent of such integration/alignment across NDBs in emerging markets and developing economies (EMDEs) and Small Island Developing States (SIDS), and to explore the conditions for such integration/alignment and, perhaps more importantly, the benefits. This research fills this gap. Using the [FICS/INSE database of PDBs and DFIs](#), an extensive desk study reviewed 222 NDBs across 103 EMDEs and SIDS. Our working assumption was that alignment or integration would be evidenced by explicit reference to the NDB in its country's NDC and/or NAP. Therefore, we set out to establish a) which NDBs were explicitly referenced within their respective country's NDC and/or NAP, reflecting the country's climate ambitions and commitments; b) what factors led to such integration/alignment; and c) the potential benefits derived from it. A survey of NDBs was conducted to explore how they perceive the relevance of policy integration, and deep dive interviews for case studies were held with NDB representatives and relevant ministry officials in specific countries. The research team recognises the limits of the approach: an explicit reference to an NDB in an NDC or NAP is primarily an indicator of formal recognition in policy documents, rather than a comprehensive measure of institutional integration. Nonetheless, the approach allows an exploration of the nexus between NDBs and climate policy with the view of triggering a discussion within countries on NDB integration/alignment.

The research finds that explicit integration/alignment exists in a minority of countries (18 out of 103) and for 18 NDBs (out of 222) only. This equates to 8.1% of the NDBs included in our research and 17.5% of the countries considered (EMDEs and SIDS). Lack of integration is more often a result of ‘policy detachment’, i.e. policy fails to formally reflect the potential financing power and opportunities offered by NDBs, the large majority of which (about 71%) make explicit reference to climate in their annual reports. No country mentions more than one NDB in its NDC and/or NAP more than one NDB, despite some countries having several NDBs, including some with a strong focus on climate.

Only 18 NDBs are mentioned in their country’s respective NDC and/or NAP. This is 8.1% of the NDBs included in the research

Figure 1 Countries’ integration of NDBs in their NDCs/NAPs



What Drives Integration/Alignment?

The integration/alignment of NDBs is not strongly associated with the climate objectives of the NDB. Results of our survey showed that NDBs could have strong climate-related results, evidenced by 50% of their annual volume in climate-related financing, and yet not be mentioned in their country’s NAP or NDC.

Integration does not seem to be associated with NDBs’ specific sector focus, with over two-thirds of the NDBs referenced in their country’s NDC and/or NAP operating in multiple sectors. NDCs

and/or NAPs only refer to a single NDB, even if there are several NDBs in the country, suggesting a strategic selection. How this selection is made is unclear: the referenced NDB is sometimes the largest, most established and profitable among all existing NDBs, but this is not always the case. The research suggests that there may be more subtle factors at play, such as the fluidity of personnel between the Ministries in charge of issuing the NDC and NAP (typically the Ministry of Environment or Ministry of Natural Resources) and the NDB, or the proactivity of the NDB in liaising with the relevant Ministry. The degree of awareness within the Ministry of Environment of the NDB's capabilities around climate finance also seems to have weight. When climate expertise is able to move across, this likely creates an awareness of opportunities and capabilities which could translate into the language used in official policies.

Geography seems to be important; of the 18 countries where the NDB is referenced in the NDC and/or NAP, six (a third) are SIDS.

Finally, the adoption of a NAP could be the determining factor in the extent of the NDB's role in the country's climate policy. Out of the 103 countries reviewed, 100 have published an NDC, and the NDB is expressly mentioned in only 11 of these. In contrast, 46 countries out of the 103 countries have adopted a NAP, but 11 of them¹ (or 23.9%) name their NDB. This suggests that policy integration/alignment may be driven more by climate adaptation needs.

Out of the 103 countries with NDBs reviewed, 100 have published an NDC. In 11 (10.6%) the NDB is mentioned, whereas only 46 countries have adopted their NAP, but 11 (or 23.9%) name their NDB.

Does This Matter?

The survey, and the discussion with NDBs which were not explicitly referenced in their respective country's official climate policies, suggest that this in itself may not be an indicator of whether the NDB acts as the primary climate financier. The NDBs we engaged with, whether named or not in NDCs and/or NAPs, reported regular engagement with the Ministry of Environment and other government bodies set up to coordinate climate action across the country. In other words, policy alignment as defined in our research could be considered unduly formalistic.

Indeed, there seems to be a **dissonance between how NDBs think of themselves in relation to national climate priorities, and how governments express NDBs' role**: in our survey, two out of the three NDBs that are specifically referenced in their country's NDC and/or NAP did not think of themselves as the primary financier of climate action; conversely, eight NDBs agreed with the statement that the government views them as the primary financier for national climate priorities, despite the fact that none of them was explicitly named in climate policy documents.

¹ These countries do not fully overlap with the 11 countries that have published an NDC where their NDB is referenced.

The survey revealed that the largest obstacles to NDBs' increased climate ambitions are external, in particular limited access to long-term finance and technical expertise, closely followed by a lack of internal dedicated staff and resources. Even if access to finance is not an issue for the NDB, access to concessional finance is often vital in stimulating demand for climate investments.

The largest obstacles to NDBs' increased climate ambitions are external, in particular limited access to long-term finance and technical expertise.

Among the 31 NDBs that had received Green Climate Fund (GCF) accreditation as of May 2026, nine (almost 30%) are formally referenced in their respective countries' NDCs and/or NAPs. This demonstrates a strong association between the NDB's climate policy integration/alignment and becoming a potential recipient of climate concessional finance. Being positioned as the key collaborator for its own country, the NDB has access to the political capital and government support it needs to be able to successfully complete the accreditation process and, down the line, benefit from external concessional funding and technical expertise. From the interviews conducted, it seems accessing climate concessional funds is an important factor leading to interactions between governments and NDB senior management.

1 Introduction

1.1 Background

In 2023, [ODI Global research](#) drew the attention of policy-makers to the strategic importance of national development banks (NDBs) in the structural transformation that emerging markets and developing economies (EMDEs) must undertake to achieve low-carbon, climate-resilient economies. Public data had shown that NDBs were the largest public provider of mitigation finance and the second-largest provider of adaptation finance, after multilateral development banks (MDBs). Yet they were mostly overlooked in international discussions on climate finance.

This is surprising, given that the 2015 Paris Agreement is based on a country-centric response, embedded in Nationally Determined Contributions (NDCs): countries' official commitments to reducing greenhouse gas emissions, adapting to climate impacts and sometimes financing or supporting climate action. In addition, under the Cancun Adaptation Framework (re-emphasised under the Paris Agreement), countries can also adopt National Adaptation Plans (NAPs) to update and improve the adaptation elements of NDCs. As NDBs serve as strategic public finance institutions that translate government priorities into investment, they are well-positioned to accelerate climate action by financing low-carbon and climate-resilient infrastructure, crowding in private investment and supporting the implementation of national climate commitments, while promoting inclusive economic development. It thus would be expected that many countries would want to engage and leverage their NDB(s) to support the considerable investment that both NDCs and NAPs typically require from domestic public and private sectors.

In the case of Just Energy Transition Partnerships (JET-Ps), and more broadly [Country Platforms](#), NDBs often emerged as pivotal financial intermediaries, building a pipeline of local projects and channelling external finance from MDBs and vertical climate funds (see Box 1). The [Compromiso de Sevilla](#), adopted in July 2025, makes explicit reference to the importance of fully exploiting 'the potential of national public development banks (PDBs) in mobilizing resources for sustainable development and address[ing] challenges that limit their efficiency and effectiveness'. It also commits national authorities to ensure that 'development banks are empowered to pursue innovative and risk-informed approaches to financing sustainable development while maintaining financial sustainability'. The Compromiso de Sevilla's ambition is for NDBs to contribute to sustainable development as a full partner/funder, including in relation to national climate ambitions, whether on mitigation or adaptation.

Box 1 National Development Banks and Country Platforms

The South Africa JET-P was announced in 2021, during the COP in Glasgow. It was a long-term partnership between South Africa and an International Partners Group (IPG) including France, Germany, the United Kingdom, the United States (which has since withdrawn) and the European Union. Its primary goal was to support South Africa's efforts to decarbonise its economy, particularly its electricity system, heavily reliant on coal, while ensuring a just transition for affected workers and communities. The Development Bank of Southern Africa (DBSA) has been designated to play a significant implementation and financing role by:

- Financing renewable energy and grid projects linked to the the transition away from coal.
- Acting as a development finance institution (DFI) within the JET governance and delivery structure.
- Supporting the mobilisation of concessional finance and blended finance for energy transition projects.
- Working with government entities, Eskom and international lenders on project preparation and implementation.

This engagement is reported as 'a bridge between policy ambition and financial execution'. South Africa's NDC (submitted in October 2025) makes explicit reference to DBSA as playing 'an important role in mobilising and managing climate finance to support national priorities, including the implementation of adaptation and mitigation actions outlined in this NDC'. The NAP (2021) also referenced DBSA.

The Indonesia JET-P – the Energy Transition Mechanism Country Platform – was launched in 2022, with the Asian Development Bank providing institutional support to the JET-P Secretariat. The objective was to achieve a net-zero emissions power sector by 2050 and a 34% renewable energy share by 2030. PT Sarana Multi Infrastruktur (PTSMI), the largest and most profitable NDB in the country, was appointed as the ETM Country Platform Manager, effectively acting as the infrastructure finance and development arm of the Ministry of Finance. The latest NDC, submitted in 2022, does not make reference to PTSMI.

In 2024, the Federal Government of Brazil, through the Ministries of Finance, Environment and Climate Change, Mines and Energy and Development, Industry, Commerce and Services, together with the Brazilian Development Bank (BNDES), Bloomberg Philanthropies, the Glasgow Financial Alliance for Net Zero (GFANZ) and the Green Climate Fund (GCF), announced the launch of Brazil's Climate and Ecological Transformation Investment Platform (BIP) – an initiative to advance Brazil's ambitious development and climate goals. BIP seeks to expand and optimise transition investments, from all sources, in support of the government's Ecological Transformation Plan in key sectors, serving as an example for other countries seeking to integrate their ecological transformations and climate goals into concrete investment pipelines.

Box 1 National Development Banks and Country Platforms continued

BNDES plays a central coordinating and financing role:

- Acting as the Secretariat and operational coordinator of the platform, managing day-to-day implementation and helping connect projects with investors.
- Mobilising and structuring international and domestic climate finance for Brazil's ecological transition and decarbonisation agenda.
- Serving as a bridge between public policy priorities, multilateral development banks, private investors and climate-transition projects.
- Helping develop pipelines of bankable projects.
- Using its long-standing expertise to de-risk investments and attract private capital into strategic climate and infrastructure sectors.

In practical terms, BNDES operationalises the Country Platform by coordinating financing mechanisms, convening partners and ensuring projects align with Brazil's broader ecological transformation strategy.

BNDES is explicitly referenced in Brazil's NDC submitted in 2024.

Anecdotal evidence suggests that NDBs' roles in relation to climate action vary tremendously across countries. However, no research to date has attempted to measure the extent of integration/alignment with climate policies across NDBs in EMDEs and Small Island Developing States (SIDS), and to explore the conditions for such integration/alignment and, perhaps more importantly, the benefits. This research fills this gap. Using the [FICS/INSE database of PDBs and DFIs](#), an extensive desk study reviewed 222 NDBs across 103 EMDEs and SIDS. The working assumption was that alignment or integration would be evidenced by the explicit reference of the NDB in its country's NDC and/or NAP.

An explicit reference to an NDB in an NDC or NAP is primarily an indicator of formal recognition in policy documents, not a comprehensive measure of institutional integration. Conversely, some NDBs may be closely involved in government committees, programme implementation, project preparation or climate-fund management without being named in the final policy document. Nonetheless, the approach allows an exploration of the nexus between NDBs and climate policy with the view of triggering a discussion within countries on NDB integration/alignment.

We set out to establish a) which NDBs were explicitly referenced within their respective country's NDC and/or NAP, reflecting the country's climate ambitions and commitments; b) what factors led to such integration/alignment; and c) the potential benefits derived from it. A survey of NDBs

was conducted to explore how they perceive the relevance of policy integration, and deep dive interviews for case studies were held with NDB representatives and relevant ministry officials in specific countries.

1.2 Relevant policy frameworks and conceptual framework

The research approach triangulates NDBs' public ambitions around financing climate, the country's official national climate policy frameworks and the factors affecting NDBs' integration into climate policies. The intention is to classify each EMDE and SIDS into the following categories:

- *Mutual disconnection*, where national policy frameworks make no reference to the country's NDB(s) and NDBs display no climate-related investment appetite (as evidenced in their annual reports, when available). For example, Senegal's NDC (2020) makes no reference to the NDB Banque Nationale pour le Développement Economique (BNDE), and BNDE's latest available annual report (2021) is equally silent on climate or energy transition.
- *Policy detachment*, where NDBs display engagement in climate and energy transition in their annual reports whilst not being explicitly referenced in national climate policies. For example, Colombia's Financiera de Desarrollo Nacional (FDN, National Development Finance) published a Management and Sustainability Report in 2024 which states that sustainability is 'a transversal axis' of the bank's strategic approach for 2024–2027. It also mentions that it negotiated an Energy Transition Support Programme with the Inter-American Development Bank with resources from the Climate Investment Fund. Yet, Colombia's NDCs, updated in 2025, make no reference to FDN.
- *Full integration*, where climate policy frameworks refer to at least one NDB in the country, with that NDB explicitly prioritising climate in its activities. For example, Saint Lucia explicitly names the Saint Lucia Development Bank in its NAP, while that bank's Annual Report for 2021 refers to its participation in the government's Climate Adaptation Financing Facility, and how it is commonly known as the 'Green Bank'.

The research team reviewed all available NDCs and NAPs of EMDEs and SIDS included in the FICS/INSE database of PDBs and DFIs – these amount to 103 countries. Full methodological details are provided in Appendix 1. It was decided to include in the scope of the research all SIDS, given their sensitivity to climate change issues.² Where available, the annual reports of the 103 EMDEs and SIDS' NDBs were examined to establish whether climate action was a consideration for such institutions. This amounted to a total of 222 NDBs. The research also gathered qualitative information from NDBs to gauge their climate activities and future ambitions, and their views on their integration in/alignment with their respective country's climate ambitions, and interactions

2 The following high-income SIDS are included in the research: Antigua and Barbuda, Bahamas, Cook Islands, Saint Kitts and Nevis, Seychelles and Trinidad and Tobago.

with the relevant government authorities. 28 survey responses were received from a broad range of organisations. Finally, we carried out semi-structured interviews with stakeholders in three country case studies: Malaysia, Peru and Zimbabwe.

We recognise that the research has inherent limitations, including limited ability to undertake due diligence on NDBs' actual climate activities, self-reporting bias in survey responses and sensitivities affecting the candour of the survey responses. Even so, the team believes the research has revealed important findings that can anchor policy recommendations for both NDBs' management and climate and finance government authorities.

2 Do Climate Policy Commitments Integrate NDBs?

The short answer to the question is that they do not.

Having reviewed 222 NDBs across 103 countries, we found that countries largely do not make reference to NDBs, even when NDBs themselves reference climate or energy transition considerations (71% of NDBs publishing an annual report mention climate).³ Only 18 of the 103 countries name one of their NDBs in their NDC and/or NAP. This is 8.1% of the universe of NDBs considered in this research.⁴ Table 1 provides the list. Figure 1 provides a more granular picture by comparing references to NDBs in NDCs/NAPs with references to climate in NDBs' annual reports.

Table 1 NDBs explicitly referenced in their country's NDC and/or NAP

Country	National development bank (NDB)	Mandate	NDB mentioned in NDC	NDC year	NDB mentioned in NAP	NAP year
Antigua and Barbuda	Antigua and Barbuda Development Bank	FLEX	Yes	2021	No	2025
Bahamas	Bahamas Development Bank	MSME	Yes	2022	N/A	N/A
Bangladesh	Infrastructure Development Company Limited (IDCOL)	INFRA	Yes	2025	Yes	2023
Brazil	The Brazilian Development Bank (BNDES)	FLEX	Yes	2024	Yes	2016
Côte d'Ivoire	National Investment Bank (BNI)	FLEX	Yes	2022	N/A	N/A
Ecuador	Development Bank of Ecuador (BDE)	FLEX	No	2025	Yes	2023
Fiji	Fiji Development Bank	FLEX	Yes	2020	Yes	2018

3 It was not possible in the context of this research to undertake a granular analysis of all NDBs' climate commitments and activities. The proxy used – to search for mention of 'climate' or 'energy transition' – is not fully satisfactory but ad hoc due diligence in annual reports suggests that climate action is often a core objective, rather than a purely contextual feature. Further research would be needed to elaborate further on how different NDBs actually support climate goals.

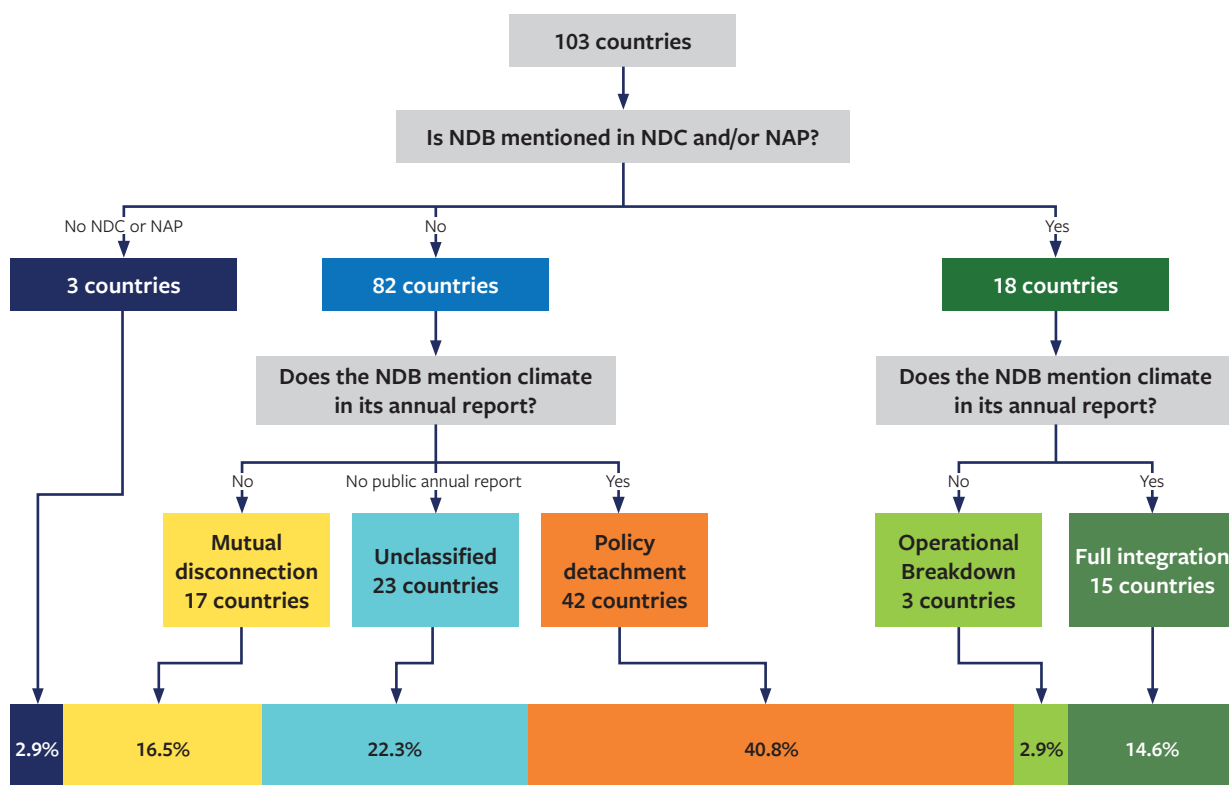
4 The following national financial entities were also mentioned, but they are not included in this research as they were not part of the FICS/INSE database of PDBs and DFIs: Angola's Fundo de Apoio ao Desenvolvimento Agrário (FADA); Barbados' Blue Green Bank; Dominica's National Conservation Trust Fund/Climate Change Trust Fund; the Banque Agricole du Niger (BAGRI); and the Development Bank of the Philippines.

Table 1 NDBs explicitly referenced in their country's NDC and/or NAP continued

Country	National development bank (NDB)	Mandate	NDB mentioned in NDC	NDC year	NDB mentioned in NAP	NAP year
Gabon	Deposits and Consignments Fund of Gabon (CDCG)	FLEX	Yes	2022	N/A	N/A
Grenada	Grenada Development Bank	FLEX	No	2020	Yes	2019
Montenegro	Investment and Development Fund of Montenegro	FLEX	No	2025	Yes	2025
Nigeria	Development Bank of Nigeria (DBN)	MSME	Yes	2025	N/A	N/A
Paraguay	Development Finance Agency (AFD)	FLEX	No	2021	Yes	2022
Peru	The Development Bank of Peru (COFIDE)	FLEX	No	2020	Yes	2021
Saint Lucia	Saint Lucia Development Bank (SLDB)	MSME	No	2025	Yes	2018
South Africa	Development Bank of Southern Africa (DBSA)	FLEX	Yes	2025	Yes	2021
Vanuatu	Vanuatu Rural Development Bank (VRDB)	AGRI	Yes	2025	N/A	N/A
Zambia ⁵	Development Bank of Zambia (DBZ)* *the institution is no longer operational	FLEX	Yes	2025	No	2023
Zimbabwe	Infrastructure Development Bank of Zimbabwe (IDBZ)	INFRA	No	2025	Yes	2024

This integration is only part of the story. As per Figure 1, one can also contrast how countries reference their NDBs with how NDBs themselves declare their climate focus. This creates a spectrum of integration which is more granular but also revealing:

5 The Development Bank of Zambia is currently in administration and is no longer operational.

Figure 1 Countries' integration of NDBs in their NDCs/NAPs

Source: Authors' own elaboration based on desk research

As Figure 1 shows, there is full integration/alignment in 15 countries (Bahamas, Bangladesh, Brazil, Côte d'Ivoire, Ecuador, Fiji, Gabon, Grenada, Nigeria, Paraguay, Peru, Saint Lucia, South Africa, Zambia and Zimbabwe⁶): that is, the country names an NDB in its NDC and/or NAP, and that NDB is actively involved in climate action. In more detail:

- Bahamas Development Bank's 2022 annual report noted that it was engaged in the National Climate Change Committee and made contributions to the NDCs. A Climate Business Plan for the Bank was approved in 2022.
- Bangladesh Infrastructure Development Company Ltd (IDCOL)'s 2024 Annual Report puts climate at the heart of its strategy: 'From renewable energy and energy efficiency to climate-resilient infrastructure, IDCOL is charting a path where economic progress and environmental stewardship go hand in hand'.
- Côte d'Ivoire National Investment Bank's Annual Report 2024 mentions how it has intensified its engagement in climate finance, and has progressed towards Green Climate Fund (GCF) accreditation.

6 The Development Bank of Zambia is in administration and is no longer operational.

- The Development Bank of Ecuador website has a section on green banking and states that it ‘plays a priority role to promote and finance projects that support adaptation and mitigation against climate change’. It has also adopted a Green Bond Framework aligned with Ecuador’s NDC.
- Fiji Development Bank’s 2024 Annual Report has a section on ‘Transforming Finance for Climate Action’, reporting how it continues ‘to scale up policy reforms, strategic partnerships, and investment readiness to accelerate the transition towards a low-emission, climate-resilient Fiji’.
- The Deposits and Consignments Fund of Gabon does not make its annual reports available online, but its website mentions extensive financing of solar plants and panels.
- Grenada’s Development Bank does not publish online annual reports but its website includes a prominent ‘Climate Projects’ section showing that it is financing energy efficiency as well as climate-resilient projects. It notes that it has been designated as service provider for part of a GCF project, the Climate Adaptation Revolving Fund for Vulnerable Households and MSMEs.
- The Development Bank of Nigeria, in its Annual Integrated and Statutory Report 2024, emphasised its accreditation to the GCF and how DBN is ‘now uniquely positioned to mobilise climate finance at scale, supporting initiatives that drive CO₂ emission reduction, climate mitigation, and adaptation’.
- Paraguay’s Development Finance Agency, in its 2025 Annual Report, showcased its sustainable development activities, including renewable energy, circular economy, energy efficiency and electric mobility. It also featured its sustainable bond issuance, making it the only local entity to have done so in 2025.
- South Africa DBSA’s role in the energy transition has been covered in Box 1. For Peru and Zimbabwe, see Section 4.

In another three countries (Antigua and Barbuda, Montenegro and Vanuatu), we see an ‘operational breakdown’ where, despite the NDB being explicitly named in the country’s NDC and/or NAP, the NDB does not have a focus on climate concerns or climate actions.

The largest grouping of countries (42, or 40.8%) are found in the ‘policy detachment’ category – that is, the category where at least one NDB makes reference to climate in its annual report (and could potentially have stronger climate ambitions and financing), but the country’s NDC or NAP does not explicitly refer to it as a climate implementer. This is the potential missed opportunity that this research is exploring.

‘Unclassified’ countries (currently 23, or 22.3%) are those where no NDB’s annual report was available to shed light on their climate engagement, but no NDB is explicitly referred to in the country’s NDC and/or NAP.

Finally, 17 countries display a ‘mutual disconnection’ – i.e. where national policy frameworks do not make any reference to that country’s NDB(s), and NDBs do not mention climate in their annual reports. For these countries, the lack of integration/alignment between NDCs/NAPs and NDBs is possibly explained by the NDBs’ lack of engagement with climate.

Of the 18 NDBs referenced in NDCs and/or NAPs, four are named in both the NDC and NAP, seven appear in only the NDC (which has been published in all 18 countries) and seven appear only in the NAP (which has been published by 13 of the 18 countries). Therefore, alignment between **NDBs and climate policies is more likely in relation to NAPs and national adaptation goals**, perhaps because a NAP focuses on investments and how to finance them (which is often more difficult than for climate mitigation).

Of the 103 countries with NDBs, only 18 name an NDB in their NDC and/or NAP (and only four countries mention their NDB in both).

No country mentions in their NDC and/or NAP more than one NDB, despite some countries having several NDBs, including some strongly focused on climate. For example, Bangladesh names IDCOL in its NDC and NAP. The Bangladesh Infrastructure Finance Fund Limited (BIFFL) is not mentioned in Bangladesh's NDC (updated 2025) yet it is equally as active: its 2024 annual report details contributions to achieving the NDCs. This suggests that a selection is being made at the country level as to which NDB is best placed to engage with/integrate into national policy frameworks.

What drives this selection is unclear. It is not always the size of the NDB across its peers: Nigeria refers to DBN, whereas the Bank of Industry's asset portfolio is more than three times larger, Climate and Sustainability is one of its six key investment areas and in November 2024 it created a Climate Finance & Sustainability Group as a 'strategic move to position the Bank of Industry at the forefront of sustainable finance, particularly in sectors that are most susceptible to the impacts of climate change, such as agriculture, energy, and transportation'.

Of the 18 countries where the NDB is integrated in the NDC and/or NAP, SIDS represent the largest share (even controlling for the high-income SIDS integrated into the database) – six out of 18 (a third) are SIDS. The geographical spread is otherwise dominated by Africa and Latin America and the Caribbean, with Central and Southeast Asia particularly under-represented.

The sectoral focus of the integrated NDBs is dominated by FLEX NDBs (12 out of 18) – i.e. NDBs with a flexible mandate, broad range of activities and sector-agnostic – followed by three NDBs dedicated to the MSME sector, two for infrastructure and one for agriculture.

Could the adoption of a NAP be the determining factor for the closer integration of an NDB into climate policy processes and frameworks? Out of the 103 countries that have an NDB, 100 have published an NDC (the three exceptions are Iran, Yemen and Russia), with only 11 (11%) expressly mentioning an NDB. NAPs are less common: only 46 countries have adopted one, but out of these 46, 11 name their NDB – i.e. 24% – more than double the NDC mentions. This suggests that policy integration/alignment may be driven more by climate adaptation needs.

100 countries have published an NDC. In only 11 (or 11%), the NDB is mentioned. Only 46 countries have adopted their NAP, of which 11 (or 24%) name their NDB.

The research also suggests that integration/alignment may arise out of subjective factors. In our interactions with stakeholders during the case studies (see Section 4), we understood that the fluidity of personnel between the Ministries in charge of issuing the NDC and NAP (typically the Ministry of Environment or Ministry of Natural Resources) and the NDBs would favour the insertion of the NDBs into the NDC/NAP as a result of the awareness of the NDB's capabilities around climate finance. If the climate expertise is able to move across national bodies, this would likely create an awareness of opportunities and capabilities, which could translate into the language used in official policies.

3 How Do NDBs View Climate Policy Integration?

Having reviewed in detail the explicit connection between NDBs and countries' climate policies, the research then moved to the question of how NDBs view their climate activities and engage with climate policies. To do so, a large-scale survey was administered across all NDBs in EMDEs and SIDS, which received a good geographical spread of responses from 28 different NDBs, including three that are explicitly referenced in their country's NDC and/or NAP. This enabled a more qualitative understanding of the political and operational dimensions of climate integration for NDBs.

3.1 Integration or not, NDBs see themselves as climate actors

Whereas the survey may have suffered from a selection bias (NDBs interested in the topic were more inclined to complete the survey) and cannot be seen as representative given the small number of received responses, it is interesting to note that of the surveyed NDBs, 68% report having climate goals – this is consistent with the findings across NDBs' annual reports and climate engagement described above. Climate-related lending is reported to have increased since 2020, though it remains modest (the majority report 1–10% of annual financing commitments). Integrated NDBs did not report high climate-related financing commitments (around 10%), and some reported stagnant climate-related financing levels between 2020 and 2024.

Similarly, whereas the overwhelming majority of the surveyed NDBs offer climate-specific financial products, one integrated NDB is still developing such a product. Thirteen NDBs reported having a dedicated climate unit – so, just under 50%. Regardless of the existence of products and specialised staff, the overwhelming majority of surveyed NDBs report on their climate activities, either publicly or internally, and if they do not they are in the process of doing so. Only one NDB mentioned not reporting against national climate goals and not being in the process of doing so.

There seems to be a dissonance between how NDBs think of themselves in relation to national climate priorities, and how governments themselves express NDBs' role: two out of the three integrated NDBs did not think of themselves as the primary financier of national climate action; conversely, eight NDBs agreed with the statement that the government views them as the primary financier for national climate priorities, despite the fact that none of them is referenced in climate policy documents. Twelve NDBs believe that they are engaged early in policy design and can shape financing pathways, while another 12 disagree with this statement. Four have no view.

These are important findings: there seems to be a close relationship between NDBs and climate policy design. The impact of integration on NDBs' credit independence is unclear:

- On the question of whether directed lending is happening, the three integrated NDBs said never or rarely, whereas 13 non-integrated NDBs reported that this happened frequently or regularly (about 3–5 times a year).
- However, on the question of whether NDBs face political pressure to lend outside their mandate or credit standards, 13 non-integrated NDBs were confident that this was not the case (13 out of 24).

3.2 The limited engagement with NDBs on policy formulation goes beyond climate

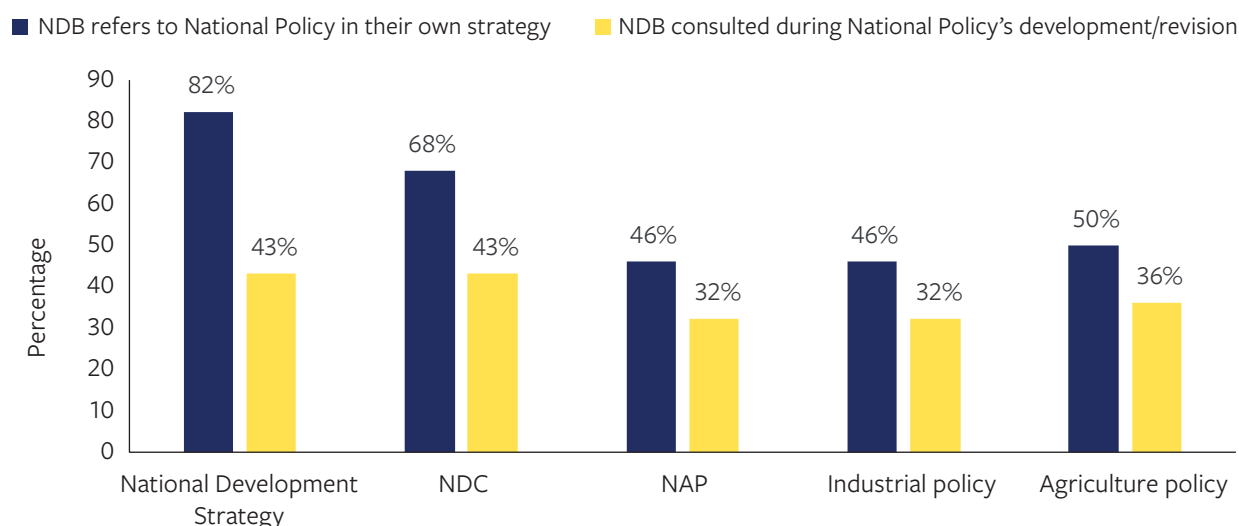
The limited engagement of NDBs on policy formulation is clear from the survey responses: 13 out of 28 respondents report not being included in inter-ministerial or national coordination bodies on climate strategy. But is this specific to climate?

The survey listed a number of key national strategic documents and asked NDBs whether they refer to these documents in their own strategy, and whether they were involved in the documents' development and/or implementation, and how (were they consulted, assigned a role in implementation, or expected to report against the documents' objectives?). The results are summarised in Figure 2.⁷

The National Development Strategy is key, with a large number of NDBs (82%) in the survey mentioning they refer to it in their own strategy. However, only 43% of NDB respondents report having been consulted during the development or revision of the National Development Strategy: a 39-point difference. This suggests that NDBs may not be engaged on policy formulation related to national development. This is striking given the mission of NDBs. A smaller gap (14 points) between NDB consultation and NDB policy reference is found in relation to NAPs, once again evidencing that NDB policy integration is stronger when it comes to climate adaptation and sector policies (agriculture and industry).

7 Generally, if the NDB had been consulted on the document, it was also further involved in its implementation onwards; therefore, we are only reporting on the level of consultation below to keep the overall picture clearer.

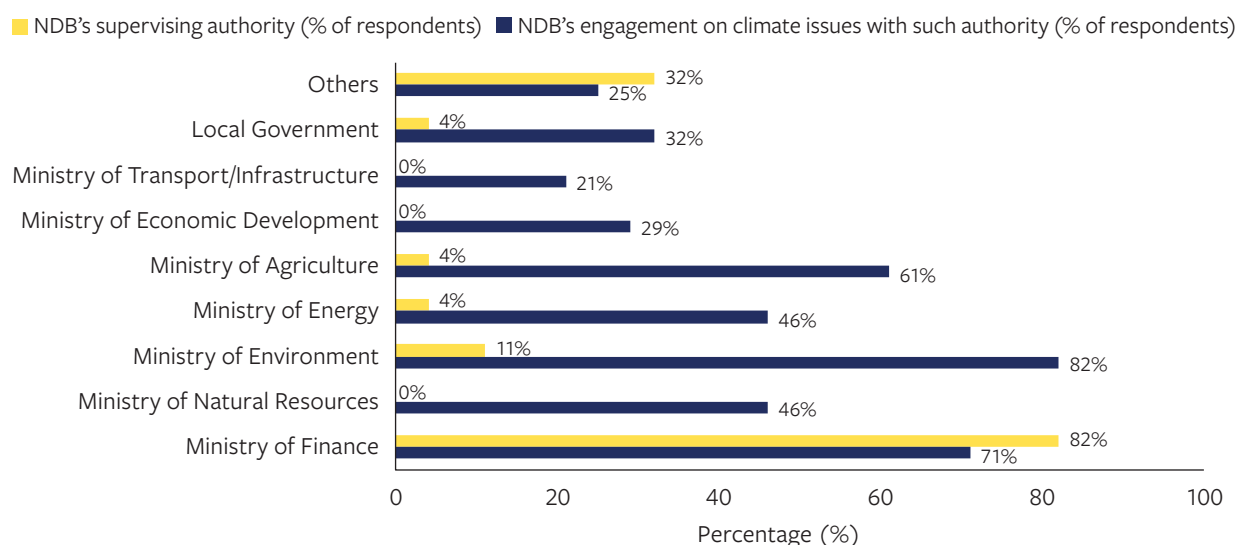
Figure 2 National policies NDBs refer to in their own strategy versus those over which the NDB was consulted during development/ revision



Source: Authors' elaboration based on survey responses

This does not mean that NDBs are not interacting with government bodies. In fact, the survey shows that NDBs engage with several government bodies beyond their supervisory ministry (which in the majority of cases is the Ministry of Finance). The Ministry of Environment and Ministry for Energy are the two most common interlocutors, and engagements happen at all seniority levels – from minister to technical-level staff – suggesting that these engagements are substantive and require the entire ministry's involvement. Almost three-quarters of NDBs responding to the survey (71%) report engaging with Ministries of Finance on climate issues, while 82% engage on climate with their Ministry of Environment.

Figure 3 Level of NDBs' engagement on climate issues with government authorities



Source: Survey responses

4 Case Studies on NDBs' Climate Policy Integration

To add more colour and depth to the findings, the research team selected three case studies with different integration scenarios and geographical focus, where the dynamics around climate policy integration could be explored directly with key stakeholders, namely the NDB(s), the Ministry supervising/owning the NDBs and the Ministry in charge of drafting the NDC/NAP. In two of the case studies (Zimbabwe and Peru), there is full NDB integration as defined above. The third case study (Malaysia) illustrated the 'policy detachment' case: i.e. the NDB(s) are reporting clear climate engagement whilst not being explicitly referenced in national climate policy ambitions. The case studies aim to better understand the context and reasons leading to both situations. Semi-structured interviews were carried out, supplemented by a desk study of key materials and data from the FICS/INSE Database of PDB and DFI.

4.1 Zimbabwe and the Infrastructure Development Bank of Zimbabwe (IDBZ)

Zimbabwe is highly vulnerable to climate change as it experiences frequent and intense droughts, erratic rainfall and extreme weather events such as cyclones. These exacerbate food insecurity, strain water resources, reduce agricultural productivity and disrupt livelihoods, particularly in rural areas. The country's ageing infrastructure and limited adaptive capacity intensify the effects of climate change, making it harder to build resilience.

In 2015, Zimbabwe committed to reducing its emissions by 33% by the year 2030, revised to 40% in 2021. Zimbabwe last submitted its NDC in 2025, and a NAP in 2024, the latter making explicit reference to one of its NDBs in the context of climate finance: *'Zimbabwe can receive funding from the GCF through accredited direct access entities such as Infrastructure Development Bank of Zimbabwe (IDBZ) and accredited international access entities such as United Nations Agencies, Regional and Multilateral Development Banks among others'*. The IDBZ is the only institution in Zimbabwe to have received GCF accreditation.

Zimbabwe has five NDBs.

Table 2 Zimbabwe's NDBs

NDB	Establishment year	Official mandate	Assets (2023) in US\$m	Net income (2023) in US\$m
Industrial Development Corporation of Zimbabwe Ltd	1940	INFRA	N/A	N/A
Small & Medium Enterprises Development Corporation	1983	MSME	N/A	N/A
Agricultural Bank of Zimbabwe*	1999	AGRI	202	6
Infrastructure Development Bank of Zimbabwe	2005	INFRA	43	-1
Zimbabwe Women's Microfinance Bank	2017	MSME	N/A	N/A

* It seems to be now referred to as AFC Land and Development Bank.

Source: [FICS/INSE database of PDBs and DFIs](#)

The IDBZ was established in August 2005, taking over the assets and liabilities of its predecessor, the Zimbabwe Development Bank (created in 1983). The Bank, regulated by the Ministry of Finance and Economic Development (MoF), has as its primary objective funding long- and medium-term sustainable infrastructure development. It was accredited by the Green Climate Fund in July 2021. It is not the largest NDB – the Agricultural Bank of Zimbabwe (now part of AFC Holdings, a local agriculture conglomerate) is larger. In 2025, IDBZ raised \$15.83 million from the market and disbursed \$6.4 million towards infrastructure projects (\$2.1 million) and productive sector financing (\$4.3 million).

As an NDB, IDBZ maintains a good relationship with the government, especially with the MoF and Ministry of Environment, Climate and Wildlife (MoE). It also engages with UN agencies and has benefited from AfDB technical assistance. The MoE, in particular the Climate Change Management Department, is a pivotal body for climate finance. IDBZ's Climate Finance and Sustainability Manager was part of the MoE team that drafted the NAP. In 2022, they were embedded into the MoF to bring climate expertise into the Ministry. This was perceived to be key in better connecting climate and finance.

Other NDBs, in particular the Small and Medium Enterprises Development Corporation, also see their financing activities as 'contributing indirectly to the implementation of national climate adaptation and mitigation objectives' and see a 'significant opportunity for close collaboration' with the MoE. The Agricultural Bank of Zimbabwe is regarded by local stakeholders interviewed as also potentially supporting Zimbabwe's climate ambitions.

4.2 Peru and the Development Bank of Peru (COFIDE)

Peru is exposed to multiple climate hazards, including floods, landslides, droughts and storms. The Ministry of Environment (MINAM) establishes overarching environmental policy and green finance frameworks, and is in charge of drafting the NDC and other climate policies. Peru's most recent NDC was submitted in 2020, and a NAP was published in 2021.

The NDC does not make any explicit reference to NDBs, but the NAP does name the Corporación Financiera de Desarrollo (COFIDE, the Development Bank of Peru) as playing ‘a fundamental role in the development of the national economy as a second-tier bank, channeling financial resources to the traditional financial system, primarily for financing small and medium-sized enterprises (SMEs). In addition, it participates as a co-financier of infrastructure and productive investment projects, aiming to contribute to reducing the existing infrastructure gap in the country’. The NAP also refers to COFIDE’s green bond issued in 2019, which was over-subscribed and attracted public investors including mutual funds and pension funds.

COFIDE is 99.9%-owned by Corporación FONAFE, a government-owned entity, which reports to the Ministry of Economy and Finance. It is the second-largest of Peru’s three NDBs (after Mivivienda Fund) and the sixth bank in the Peruvian financial sector, based on assets. It is considerably smaller than the two largest banks in the country, BCP and BBVA.

Table 3 Peru’s NDBs

NDB	Establishment year	Official mandate	Assets (2023) in US\$m	Net income (2023) in US\$m
The Development Bank of Peru (COFIDE)	1971	FLEX	2,914	24
Mivivienda Fund	1999	HOUS	3,812	101
Agricultural Bank	2011	AGRI	142	25

Source: [FICS PDB & DFI Database](#)

COFIDE defines itself as the principal issuer of ESG bonds in the country. In 2024, it listed a \$300 million social bond on the Luxembourg Green Exchange under the Global Trust Fund on Sustainable Finance Instruments (which provides technical assistance and credit enhancement). COFIDE also acts as a financial implementer, channelling public funds towards projects that meet environmental and social criteria (e.g. the Inclusive Rural Business Development Program (Prider)).

COFIDE has an ambitious target of 35% of its annual investments qualifying as ‘sustainable’. As reported in its 2025 Annual Report, COFIDE is working on a GCF accreditation as a ‘private sector direct access entity’. The other NDBs also focus on climate. In its 2024 report, Mivivienda Fund states that 70% of its commitments were ‘green’.

Based on our engagement with MINAM, it seems that one factor that could have played a role is the fact that COFIDE is deemed ‘independent’: although owned by the national government, COFIDE is managed as a private entity and therefore not subject to any sectoral mandate. Also, COFIDE reported having been proactive in interacting with MINAM.

4.3 Malaysia and the Bank Pembangunan Malaysia Berhad (BPMB)

Malaysia faces a number of climate-related risks, in particular flooding: between 2012 and 2019, it had the highest percentage of its population exposed to floods among ASEAN Member States. Malaysia has committed to reducing its economy-wide carbon intensity by 45% by 2030 compared with 2005 levels, and to achieving net-zero greenhouse gas emissions by 2050. In 2024, Malaysia launched the National Climate Change Policy (NCCP) 2.0, which serves as the country's overarching climate framework. Coordinating climate action across government agencies, it focuses on:

- Climate governance
- Low-carbon economic development
- Climate adaptation and resilience
- Climate finance
- International cooperation and carbon markets

The policy aligns climate action with other national plans, including energy transition and sustainable development strategies.

In 2026, the World Bank noted that public financial institutions and international climate finance remain underleveraged in the country. 'Accessing concessional and blended climate finance—such as from the Green Climate Fund—is also constrained by fragmented institutional coordination and the limited presence of accredited national entities.'

Malaysia's NDC, which was last submitted in 2025, does not make reference to any NDB. Of Malaysia's other five NDBs, only Tekun Nasional refers to climate in their most recent annual reports.

Table 4 Malaysia's NDBs

NDB	Establishment year	Official mandate	Assets (2023) in US\$m	Net income (2023) in US\$m
Credit Guarantee Corporation Malaysia Berhad (CGC)	1972	MSME	1,113	N/A
Bank Pembangunan Malaysia Berhad (BPMB)	1973	FLEX	6,375	27
National Mortgage Corporation of Malaysia	1986	HOUS	11,727	27
Malaysia Debt Ventures Berhad	2002	MSME	N/A	N/A
Small Medium Enterprise Development Bank Malaysia Berhad	2005	MSME	2,837	-1
Tekun Nasional	1998	MSME	N/A	N/A

Source: FICS PDB & DFI Database

BPMB's mandate is primarily focused on supporting economic development through financing and investment in infrastructure projects, and aligning financial activities with national strategies, particularly in sustainable development, climate adaptation and mitigation. BPMB reports to the Ministry of Finance but is supervised by the Central Bank. BPMB sees itself as working closely with a number of stakeholders, including on climate, so not being explicitly named in the NDC was not seen as particularly significant. BPMB participated in COP 29 in Baku in 2024 as part of Malaysia's official delegation led by the Ministry of Natural Resources and Environmental Sustainability, and is expected to showcase Malaysia's climate efforts at COP31 in Türkiye. No staff have been exchanged between the Bank and the government.

Weak local demand – and the limited availability of subsidies that could generate such demand – were reported as the largest obstacle to the expansion of BPMB's climate-related activities. Here again, GCF accreditation could make a significant difference if followed by funding approval.

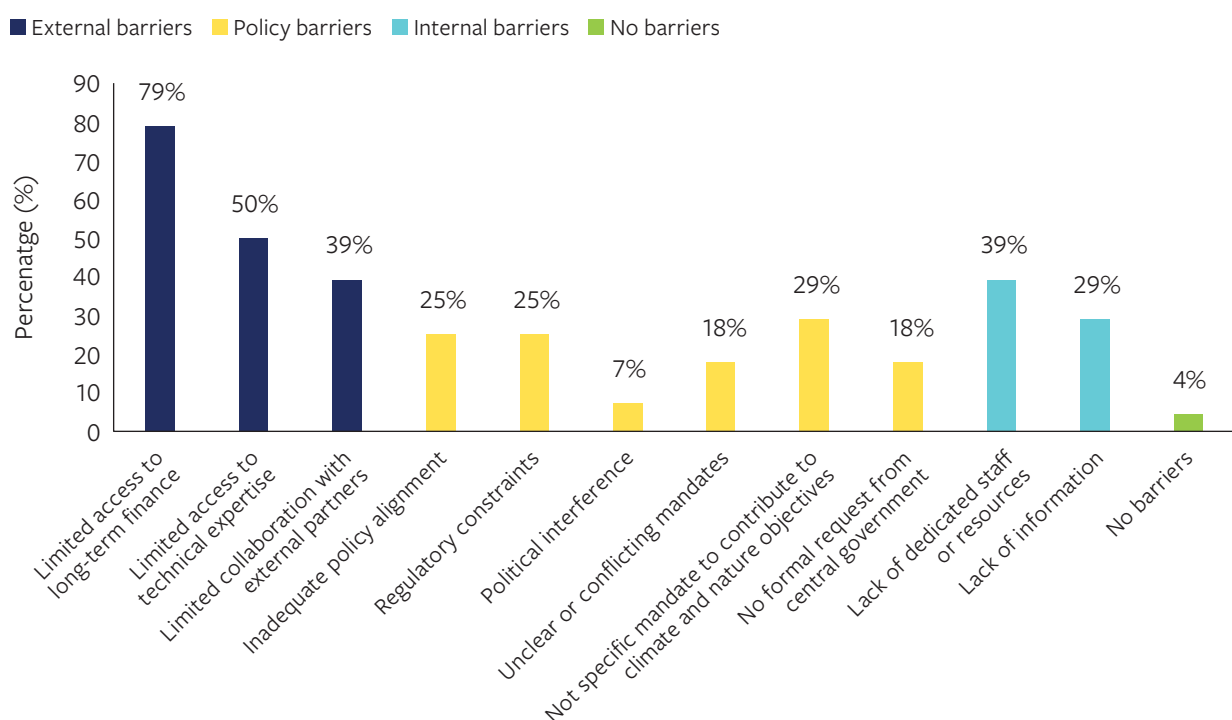
5 NDBs' integration and climate effectiveness

Does all of this matter that much? If NDBs do prioritise climate in their activities, interact with government bodies on climate issues and build internal capacity for financing climate-related projects, regardless of their integration, what would formally being recognised in climate policies as implementing actors change? The research puts forward the claim that policy integration creates a positive nexus with climate effectiveness.

First, NDBs themselves believe so: in the survey, almost 90% of the responding NDBs thought that deeper integration in policy processes would improve their effectiveness in addressing climate issues, with the remaining 10% being unsure. None thought that policy integration would be a hindrance or have no effect.

Second, when asked about the barriers limiting their institution's ability to support national climate priorities, the biggest obstacles reported by NDBs are external: in particular, limited access to long-term finance and technical expertise, followed by a lack of internal dedicated staff and resources. Access to long-term, concessional finance is often vital for NDBs in order to stimulate demand for climate investments. The policy-related barriers came much later in the survey answers.

Figure 4 Barriers to supporting national climate priorities



Source: Authors' elaboration based on survey responses

Among the 31 NDBs that had received GCF accreditation as of May 2026, nine are formally referenced in their countries' NDC and/or NAP – around 30% (see Table 5). This may suggest an association between NDBs' integration into climate policies and becoming a potential recipient of climate concessional finance, although the direction of causality was not explored. Perhaps being positioned as the key collaborator for its own country enables an NDB to access the political capital and government support it needs to successfully complete the accreditation process, and down the line benefit from external concessional funding and technical expertise. In fact, this effect had already been noted based on the Adaptation Fund's direct access modality, which appeared to lead to better institutional coordination.⁸ From the interviews it seems that, for governments and NDB senior management, access to concessional climate funding can be an important rationale for integrating the NDB into the country's NDC and NAP.

Table 5 NDBs accredited by the Green Climate Fund as of May 2026

	Country	NDB Name	NDB is referenced in NDC and/or NAP
Africa	Côte d'Ivoire	National Investment Bank	✓
	Mali	National Bank for Agricultural Development	
	Namibia	Development Bank of Namibia	
	Namibia	Environmental Investment Fund of Namibia	
	Nigeria	Development Bank of Nigeria	✓
	Rwanda	Development Bank of Rwanda	
	Senegal	The Agricultural Bank	
	South Africa	Development Bank of Southern Africa (DBSA)	✓
	Zambia	Development Bank of Zambia (DBZ) (*Institution is no longer operational)	✓
	Zimbabwe	Infrastructure Development Bank of Zimbabwe (IDBZ)	✓

8 Wang, B. and Rai, N. (2015) *The Green Climate Fund accreditation process: barrier or opportunity?* (<https://www.iied.org/17311iied>).

Table 5 NDBs accredited by the Green Climate Fund as of May 2026 continued

	Country	NDB Name	NDB is referenced in NDC and/or NAP
Latin America & Caribbean	Belize	Development Finance Corporation	
	Bolivia	Productive Development Bank (PDB)	
	Brazil	Brazilian Development Bank (BNDES)	✓
	Colombia	Colombian Bank of Foreign Trade (Bancoldex)	
	Colombia	Territorial Development Finance of Colombia (Findeter)	
	Jamaica	Development Bank of Jamaica	
	Mexico	National Bank of Public Works and Services (BANOBRAS)	
	Mexico	Nacional Financiera (NAFIN)	
	Saint Lucia	Saint Lucia Development Bank (SLDB)	✓
Asia & Pacific	Bangladesh	Infrastructure Development Company Limited (IDCOL)	✓
	Cook Islands	Bank of the Cook Islands	
	Fiji	Fiji Development Bank	✓
	India	National Bank for Agriculture and Rural Development	
	India	Small Industries Development Bank of India	
	Indonesia	PT Sarana Multi Infrastruktur (PTSMI)	
	Kazakhstan	Development Bank of Kazakhstan	
	Korea	Korea Development Bank	
	Micronesia	Federated States of Micronesia Development Bank	
	Vietnam	Vietnam Development Bank	
Middle East & North Africa	Jordan	Cities and Villages Development Bank	
	Morocco	CDG Capital	

Source: Green Climate Fund (May 2026)

6 Conclusions and Recommendations

6.1 Synthesis of findings

The research has sought to measure the extent to which NDBs in EMDEs and SIDS are integrated into their respective country climate policy commitments, and to explore the conditions for such integration and, perhaps more importantly, the benefits. We find that, although the majority of NDBs see themselves as engaging strongly on climate, and report as much in their publications, they are only explicitly referenced in 17.5% of countries' NDCs and/or NAPs.

The factors driving this can be simply lack of awareness across policy-makers of the NDB's climate engagement or potential to finance climate adaptation and mitigation needs. Yet in the majority of cases, NDBs aspire to such integration but remain unconsulted, let alone named. This may not necessarily be negative: for some NDBs, operating at arm's-length secures full credit independence and can alleviate a perceived or real risk of politicised lending, mandate drift or weak project discipline. It may also avoid NDBs being asked to deliver climate objectives without adequate capital or risk-sharing.

Integration is not an end in itself. The objective is better domestic climate and development delivery in the form of stronger pipelines, access to suitable capital, resilience, mitigation, affordability, local-market development and institutional accountability. However, integration may also create a nexus of climate effectiveness, especially in the form of access to external climate concessional finance, which for many NDBs is perceived as the largest obstacle to engaging in climate-related activities. With such funding at stake, there seems to be an important opportunity for both local policy-makers and NDBs to sit at the policy table and engage.

The central recommendation from this research is that governments should more deliberately integrate NDBs into the formulation and implementation of climate policy. Where NDBs are meaningfully brought into the policy process, countries are better placed to connect climate ambition with financial execution to develop credible investment pipelines, mobilise long-term and concessional capital and translate national commitments into practical delivery. By contrast, when NDBs remain outside the process, climate policy risks being shaped without the institutions best equipped to anchor implementation, mobilise finance and bridge the gap between international climate commitments and investable country action.

In light of these findings, the recommendations that follow are intended to help governments and NDBs move from non- or partial alignment towards more deliberate and effective integration.

6.2 Recommendations for NDB Leadership

For non- or partially integrated NDBs, the starting point for greater integration is not simply to seek a formal mention in national climate policy, but to internally align on why deeper integration would matter in the first place, to recognise the NDB as a strategic national actor in delivering climate and development priorities, and not just a peripheral financier. It can strengthen the bank's ability to shape realistic financing pathways, demonstrate its value to policy-makers, and position itself for better access to international concessional finance, partnerships and technical support. In many cases, the first step is therefore internal: NDB leadership must convince itself that stronger policy integration should not mean a loss of credit independence, but a way to increase relevance, influence and impact while still protecting autonomy in credit decisions.

From there, the NDB can begin to engage policy-makers more deliberately to position itself as a strategic partner in the country's climate and development agenda. This is likely to require a combination of formal and informal engagement: at the strategic level, Board and CEO dialogue can help build visibility and trust with key ministries and decision-makers, often capitalising on existing relationships; at the working level, technical exchanges can help demonstrate where the NDB can add practical value in financing, implementation and pipeline development. The objective is not immediate formal recognition, but a gradual shift in how the institution is understood: from a financing institution operating alongside policy to one that can help translate policy ambition into credible investment pathways.

Internally, it will be important for the NDB to build the evidence base for climate effectiveness, starting with designing and adopting a climate strategy (which the research has revealed can already be in place), and starting to track and report climate finance. Where required, this may mean an evolution of the NDB's mandate. New financing commitments would need to be screened against climate criteria to proactively and intentionally align investments with the NDC and NAP.

For integrated NDBs, the focus should be on deepening operational integration and converting policy alignment into implementation capacity. Where this has not yet been achieved, accreditation to climate funds such as the GCF can provide a clear strategic objective, both because it expands access to concessional finance and because it reinforces the NDB's role as a credible national delivery institution. At the same time, integrated NDBs should strengthen coordination with policy-makers so that future NDCs, NAPs and related national strategies are matched by realistic financing pathways, implementation arrangements and investable pipelines. In the strongest cases, this also positions the NDB to lead or anchor country platform development, while sharing practical lessons with peer institutions on how to translate policy ambition into financial execution.

6.3 Recommendations for policy-makers

The Ministry of Finance is central to creating the enabling conditions for stronger NDB integration into national climate efforts. This includes reviewing governance arrangements so that NDB mandates, incentives and oversight frameworks support climate-related investment without undermining financial discipline. Finance ministries should also ensure that fiscal frameworks, public investment planning and broader macro-financial strategies are aligned with national climate goals, so that NDBs can operate within a coherent policy environment rather than treating climate as a parallel agenda. Just as importantly, they should strengthen coordination with environment and planning authorities and establish performance monitoring frameworks that assess not only financial soundness, but also the NDB's contribution to national development and climate objectives.

The Ministry of Environment/Climate, responsible for environment or climate policy, should move beyond viewing NDBs simply as downstream financiers and, instead, involve them earlier in the design of climate strategies. This means building formal consultation and participation mechanisms into the preparation and revision of NDCs, NAPs and related strategies, so that financing considerations are incorporated from the outset. These ministries should also define clear implementation roles for NDBs where appropriate, particularly in areas such as project pipeline development, blended finance, adaptation investment and access to concessional climate finance. To make this meaningful, accountability systems should be designed so that NDBs can track and demonstrate how their operations contribute to the delivery of national climate targets.

The Ministry of Energy/Industry, responsible for energy, industry and productive sectors, should work with NDBs to translate sectoral strategies into investment plans in line with sectoral transition strategies. In the energy sector, this may include involving NDBs more systematically in just energy transition planning, energy transition implementation and the financing of infrastructure and industrial transformation linked to national decarbonisation goals. In industry, these ministries should align sectoral strategies with green finance approaches that allow firms and value chains to adapt to new competitiveness, resilience and emissions requirements. More broadly, they should treat NDBs as practical partners in connecting policy ambition with financing instruments, risk-sharing structures and implementation mechanisms that can support structural transformation at scale.

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