



# Joint impact-mitigation tools for climate and development studies

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# COUNTRY CLIMATE AND DEVELOPMENT REPORT

## Interplay between climate and development

The CCDR captures the interplay between each country's development goals and climate change, in the context of the Paris Agreement and the WBG's commitment to align its portfolio to its objectives.



## Inform country dialogue

The CCDR will analyze how the country's development goals can be achieved in the context of mitigating and/or adapting to climate change. It will propose integrated policies or investments for equitable, inclusive, resilient and low-carbon development.



## Rigorous data, analysis and research

The CCDR will bring together expertise, tools and resources from the World Bank, the IFC, and MIGA. The macroeconomic analysis in the CCDR will be prepared in coordination with the IMF.



# Conceptual Framework

## Multiple domestic development objectives:

- Economic growth and formal jobs creation
- Reduction of poverty and inequality
- Macroeconomic and financial stability
- Climate Change commitments under UNFCCC
- Sustainability of natural resources

## Climate-related uncertainties that affect development objectives:

- Future climate shocks, ecosystem collapse
- Net-zero transition abroad (carbon border adjustment mechanisms, demand for fossil fuels, cost of low carbon technologies)

Assess how policies satisfy objectives under multiple future scenarios (stress-test)

**Seizing development opportunities:** policies satisfy multiple policy objectives (or at least does not reduce progress towards other objectives) under many future scenarios.

- What are the **no regret** policies? Which ones are **transformational**?
- Why are they not implemented? Identify **barriers** to implementation and propose solutions for removing them

**Navigating trade-offs:** satisfying one objective reduces progress towards another objective  
OR policy meets objectives only under limited set of future conditions

- Can the policy be **delayed**? Is there **irreversibility** involved that would prevent reaching an objective forever? If yes identify **flexible**/reversible pathways
- If no, decision is up to **decision makers' preferences and risk aversion**

## Addressing political economy of implementation

Assess the winners and losers of policy response and put in place compensatory mechanisms; Build dialogue on beliefs and values that drive diverse policy goals



# Wish list: modular modeling approach



Stand-alone sectoral models that can represent a range of mitigation policies



Macro models that can easily incorporate sector information (including financial sector)



Sector-level damage curves (per type of CC impact) + impact of adaptation policies/investments on the curve



Investment needs in infrastructure with mitigation and adaptation (total, not incremental cost)



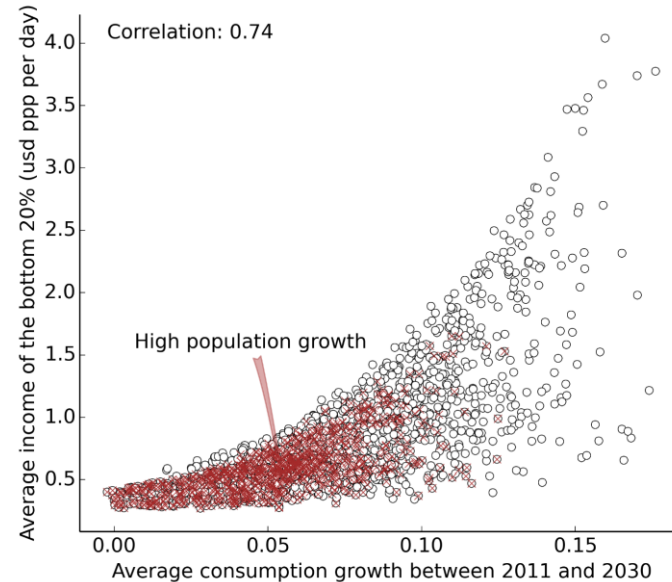
Micro simulation models that can easily incorporate sector information and information from macro models

# Wish list: relevant scenarios



Multiple baselines  
representing all relevant  
uncertainties

No more baseline with no  
climate action and no  
climate change impact



**Global guiding scenarios relevant for country-level work (technology costs and where it is produced, global demand and prices for beef and fossil fuels, border adjustment mechanisms...)**

