



Press Release

New Global FiCS Lab Platform

Will Help Public Development Banks Accelerate Climate Action

Rio de Janeiro, Brazil, 20 May 2024—Today, Finance in Common (FiCS), the Inter-American Development Bank (IDB), and Climate Policy Initiative (CPI) launched the [FiCS Financial Innovation Lab \(FiCS Lab\)](#), a new global platform to help public development banks in emerging markets and developing economies to mobilize private capital and expand climate finance.

The launch took place during the first FiCS-G20 joint Rio event, organized together with the Ministry of Finance of Brazil, FiCS, and Instituto Clima e Sociedade (iCS), to explore the synergies between Public Development Banks and the G20.

Tailored to the needs of public development banks (PDBs), the FiCS Lab will combine the roles of an incubator and a task force, providing technical assistance and grants as well as fostering innovation, knowledge sharing and collaboration among PDBs. These activities are aimed at helping PDBs address barriers to financing climate mitigation and adaptation.

The planned activities are:

1. **Pillar 1: Sharing and advancing knowledge and best practices** on financial innovation gaps, initiatives, and implementation.
2. **Pillar 2: Facilitating structured dialogues** to standardize or harmonize approaches.
3. **Pillar 3: Supporting incubation of specific financial innovations** in institutions that are ready to act but need technical and/or financial support.

Following the launch, members will come together via working groups to support the first two pillars, tackling four workstreams:

1. Climate-resilient debt clauses
2. Debt-for-nature/climate swaps
3. Domestic carbon markets
4. Currency risks

Pillar three will result in a competitive call for ideas from public development banks, which will be opened at the FiCS Summit in October. The selected ideas will receive dedicated technical and grant support from CPI, which will also act as the initiative's secretariat, to facilitate development from inception to implementation.

FiCS Lab was one of the main [commitments agreed](#) by FiCS members during the 2023 edition of the FiCS Summit in Cartagena, Colombia. It was officially announced during COP28 in December 2023 and included in the FiCS 2024 action plan. This initiative is supported by the Children's Investment Fund Foundation (CIFF).

CPI manager Nicole Pinko, who is overseeing the initiative, said: "Achieving the USD 9 trillion in climate finance needed by 2030 will depend greatly on effective action by PDBs. With input from multiple PDBs, the FiCS Lab is designed to facilitate climate action in emerging markets and developing economies, creating a shared understanding of available instruments and principles for their effective use. Through collaboration and the FiCS Lab support services, we aim to overcome existing challenges to PDB investments in climate action."



Adama Mariko, Secretary General of FiCS, said: “The FiCS Financial Innovation Lab is now up and running. I invite all public development banks – multilateral, regional, national, or subnational – to use it as a dedicated space to share knowledge, facilitate peer-to-peer learning, and incubate pilot innovations that are critical to scale up climate finance.”

Anderson Caputo, chief of the IDB's Connectivity, Markets and Finance Division, said: “The FiCS Lab will allow public development banks to join forces to find financial solutions through innovation and experimentation. Together, we are stronger, and by working collaboratively to tackle global challenges, we will be able to find pioneering and replicable solutions to achieve greater impact and scale. The window of opportunity to address climate change is narrowing, and we need new approaches to bridge climate action investment gaps.”

Next steps

To complement the launch, a promotional roadshow to foster PDBs' engagement will bring the FiCS Lab to PDB audiences at regional fora for development banks throughout 2024, including the Latin American Association of Development Financial Institutions (ALIDE), the Association of African Development Finance Institutions (AADFI), and the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP).

About Finance in Common

Finance in Common is the global network of all PDBs, which aims to align financial flows on the 2030 Agenda and Paris Agreement for Climate Change. Its objective is to strengthen partnerships among PDBs to accelerate the convergence towards shared standards and best practices, to support banks' commitments to shift their strategies towards sustainability, and to give PDBs more visibility in the global fora discussing international policy issues. Learn more at financeincommon.org

About the Inter-American Development Bank

The Inter-American Development Bank is devoted to improving lives. Established in 1959, the IDB is a leading source of long-term financing for economic, social, and institutional development in Latin America and the Caribbean. The IDB also conducts cutting-edge research and provides policy advice, technical assistance, and training to public- and private-sector clients throughout the region. Learn more at <https://www.iadb.org/en>.

About Climate Policy Initiative

Climate Policy Initiative is an analysis and advisory organization with deep expertise in finance and policy. Our mission is to help governments, businesses, and financial institutions drive economic growth while addressing climate change. CPI has over 100 employees across six offices in Brazil, India, Indonesia, the United Kingdom, and the United States. Learn more at climatepolicyinitiative.org.

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