

October 10, 2025

World Bank Group and its Member States

Attn: Ajay Banga, World Bank Group President; Jamie Fergusson, Director, Climate Business;
Valarie Hickey, Global Director for Climate Change at the World Bank; Tania Kaddeche, IFC
ESG Sustainability Advice & Solutions Director; Sebnem Erol Madan, MIGA Director for
Economics and Sustainability; IFC, IBRD, and MIGA Member State Executive Directors;
World Bank Group Climate Advisors

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**Re: Ask for (1) WBG's Plans to Amend their Climate Change Policies following the July ICJ
Advisory Opinion, (2) Follow Up on IFC's/MIGA's Early 2025 Responses to CSOs' Climate Requests
Regarding IFC's, MIGA's and their Member States' Climate Change Obligations Under
International Law**

Dear President Banga, World Bank Group (WBG) Climate Change Directors Fergusson and Hickey, and
International Finance Corporation (IFC), Multilateral Guarantee Agency (MIGA), and International Bank
for Reconstruction and Development (IBRD) Management and Member States:

Thank you for your engagement earlier this year in response to [Bank Climate Advocates' \(BCA's\) and 28
CSOs' January 17, 2025 IFC Request](#) and [BCA's and 19 CSOs' February 14, 2025 MIGA Request](#). As you
may recall, these Requests detailed CSOs' concerns regarding: IFC's and MIGA's non-adherence to the
requirements of their board adopted policies applicable to climate change prior to IFC financing and
MIGA's guarantee decisions; the severe misalignment of IFC's and MIGA's policies with IFC's, MIGA's
and their member states climate change obligations under international law; and the urgent need for IFC,
MIGA, and their member states to take immediate corrective action on both the policy and implementation
fronts in the face of the climate crisis.

IFC's February 13, 2025 and April 18, 2025 responses declined to address BCA's analysis of IFC's and its
member states' climate change obligations under international law.¹ However, they did suggest IFC was
awaiting the International Court of Justice's (ICJ's) Climate Change Advisory Opinion to assess and address
the legal adequacy of its suite of climate change policies. Specifically, IFC's responses provide:

*We thank you for the detailed submissions in Appendix B of your letter concerning your
interpretation of various topics in public international law. We closely follow legal developments*

¹ [MIGA's April 4, 2025 response](#) is silent in regards to international legal obligations.

that are relevant to IFC as an international organization, as well as other legal developments that apply to states... Climate related questions that are currently being considered by the International Court of Justice and the Inter-American Court of Human Rights, for example, are of great interest.

[IFC's February 13, 2025 response](#) at 2; see also [IFC's April 18, 2025 response](#) at 1.

Considering that in July 2025, the ICJ issued its Climate Change Advisory Opinion (ICJ Advisory Opinion),² we thus respectfully ask that in our engagements during the 2025 WBG annual meetings, and in writing with detailed analysis in support after, that IFC, MIGA, IBRD, and IFC's/MIGA's/IBRD's member states:

- 1.) provide your positions on the adequacy of IFC's, MIGA's, and IBRD's suite of climate change policies - including their Paris Alignment Methodologies,³ Energy Policies, and Energy Strategies - in meeting IFC's, MIGA's and IBRD's, and their member states' climate change obligations under international law as set forth in the ICJ Advisory Opinion;
- 2.) provide insight on whether IFC, IBRD, and or MIGA have plans to amend their Paris Methodologies, Energy Policies, and or Climate Change Action Plans (CCAP) to meet their and their member states' stringent due diligence climate change requirements now crystalized by the ICJ Advisory Opinion, and if so, when; and
- 3.) detail what improvements to WBGs' Paris Methodologies, Energy Policies / Strategies, and Environmental and Social Frameworks WBG feels are necessary to meet the stringent due diligence requirements in the ICJ Advisory Opinion.

The ICJ Climate Advisory Opinion confirms Bank Climate Advocates' analysis of the climate change obligations under international law of the WBG, and its member states' when acting at the WBG. [See BCA's and CSO's January 2025 IFC Request](#) at fn.3 and Appendix B. The ICJ Opinion makes clear that customary international law, the Law of the Sea, human rights treaties, and the climate change treaties, including the Paris Agreement and UNFCCC, provide that (a) due diligence in the climate context is stringent, forward looking, and requires States to regulate public and private actors over whom they exercise jurisdiction or control, including through public finance, policy making and investment decision making, and (b) this stringent standard of due diligence for preventing significant harm to the climate system: further requires consistency with and use of best available science, methods, and all means at a state's disposal to assess and prevent avoidable climate change harms; "entails not only the adoption of appropriate rules and measures, but also a certain level of vigilance in their enforcement and the exercise of administrative control;" and requires states to continuously update their rules and measures in light of

² July 23, 2025 Advisory Opinion of the International Court of Justice on the Obligations of States in Respect of Climate Change ([available here](#))

³ For IFC and MIGA, these Paris Methodologies are "Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment of New operations" June 2023. For IBRD, these Paris Methodologies are: Paris Alignment Method for Investment Project Financing, March 7, 2023.

evolving science. ICJ Advisory Opinion at pps.138, 208, 215, 282, 343; ITLOS Advisory Opinion⁴ at pps 243, 249, 250; see also ITLOS Advisory Opinion at pps. 189, 197, 199, 202, 208, 215, 223, 226. And critically in regards to fossil fuels, the ICJ Opinion clarifies:

Failure of a State to take appropriate action to protect — including through fossil fuel production, fossil fuel the climate system from GHG emissions consumption, the granting of fossil fuel exploration licences or the provision of fossil fuel subsidies — may constitute an internationally wrongful act which is attributable to that State. The Court also emphasizes that the internationally wrongful act in question is not the emission of GHGs per se, but the breach of conventional and customary obligations identified under question (a) pertaining to the protection of the climate system from significant harm resulting from anthropogenic emissions of such gases.

ICJ Advisory Opinion at pp. 427.

As such, the ICJ Advisory Opinion establishes legal requirements that demonstrate three primary inadequacies of WBG's Paris Methodologies and suite of climate change policies:

- 1.) It evidences the WBG and its member states are clearly under a duty of conduct to amend WBG's suite of policies to, in addition to banning coal financing, require prohibitions on financing new oil, gas production and gas and fossil fuel power plants and associated infrastructure, and LNG infrastructure, absent a demonstration—supported by the best available science—that: it is not economically and technically feasible for renewables to meet the energy demand instead; the activity is compatible with a 1.5°C pathway; avoids fossil fuel lock-in and stranded-asset risks; and does not undermine the rights of those most exposed to climate harms. These obligations clearly require that WBG's policies set a stringent presumption against financing any new fossil fuel supplies and unabated fossil power plants and infrastructure, while heightening disclosure and analysis justification requirements (including GHG emissions quantification and alternatives analysis requirements) to align with best available science and practiced methods, including for residual gas infrastructure claimed to be transitional;
- 2.) It eliminates the legal space for WBG and its member states to defer to another country's NDC, LTS, or plans to meet their own climate obligations at the WBG. It not only clarifies that it is legally impermissible for WBG's member states to satisfy their due diligence obligations by relying on a host State NDC, LTS, or plan that is not, ex ante, consistent with 1.5°C to determine an investment or guarantee is aligned with their climate change obligations. It further clarifies that the WBG and each of its member states have a duty to ensure that each financed or guaranteed project is aligned with a 1.5°C consistent pathway on the basis of the best available science and methods, and that this obligation shall not be satisfied merely by an investments' alignment with a host country's NDC, LTS, or plan;
- 3.) It requires the WBG and its global north member states - with the tremendous means and financial resources at their disposal – to use best available science, best practiced methods, and all necessary measures to ensure that prior to financing and guarantee decisions, that: (a) Scope

⁴ May 21, 2024 International Tribunal on the Law of the Sea Advisory Opinion in response to the Request for an Advisory Opinion Submitted by the Commission of Small Island States on Climate Change and International Law (ITLOS Advisory Opinion) ([available here](#)).

1, 2, and 3 GHG emissions are fully quantified, (b) a GHG emissions alternatives and mitigation analysis is conducted that rigorously examines the economic and technical feasibility of avoiding GHG emissions as far as economically and technically feasible, and (c) that these analysis and study in support are released for public review.

As shared, in our prior correspondences, the WBG's Paris Methodologies, Energy Policies and Strategies, and Environmental and Social Sustainability Frameworks - making up the suite of the WBG's climate policies - fail in all three of these regards. They (a) allow for financing and guarantees for fossil fuels even when renewables are economically and technically feasible, fail to exclude fossil fuel investments not aligned with a 1.5°C pathway, and do not set a stringent presumption against fossil fuel financing that would need to be supported by evidence and analysis to be overcome; (b) allow the WBG to defer to the NDC, LTS, or plan of a state where an contemplated investment is located to determine "Paris Alignment", and even if the state's NDC, LTS, or plan is not consistent with a 1.5°C pathway; (c) they have no criteria governing the quality of GHG emissions impact and mitigation analysis, including one that matches the stringent due diligence standard in the ICJ and ITLOS Advisory Opinions requiring use of best available science and methods and all necessary measures to quantify GHG emissions (including for Scope 3 emissions) and conduct a GHG emission alternatives and mitigation analysis.

Thank you for your consideration and continued engagement. We look forward to hearing your perspectives next week, and receiving WBG's written response in short order after its annual meetings. Moreover, BCA urges the WBG and its Member States to take immediate corrective action across all of IFC's, MIGA's, and IBRD's policies to come into alignment with its, and its member states', climate change obligations under international law. As shared in our January 17, 2025 and February 14, 2025 Requests, IFC's and MIGA's own internal independent Compliance Advisor Ombudsman also identifies that IFC and its member states have these obligations, and must consider and meet them.⁵

Sincerely,



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⁵ See Strengthening Greenhouse Gas Mitigation in IFC Financed Project, IFC/MIGA Compliance Advisor Ombudsman (CAO) Advisory Function, October 30, 2024, available at: https://www.cao-ombudsman.org/sites/default/files/2024-10/12_Rpt-WBG-3675-CAO%20Climate%20Report%20R4%20V1%201029-1.pdf ("CAO Opinion") at Fn 19 (providing: "A recent decision by the European Court of Human Rights and climate change-related cases pending before the International Court of Justice, the International Tribunal for the Law of the Sea, and the Inter-American Court of Human Rights all consider the legal responsibility of states for treaties, declarations, and principles related to human rights, climate change, the environment, national sovereignty, due diligence, harm prevention, and intergenerational equity. The ICJ has already opined that international organizations may have obligations under international law, and that states carry their obligations with them when they act through international organizations.").

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