

**Letter****Letter: Why we crunch the World Bank's fossil fuel numbers**

From Sophie Richmond and others



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4 HOURS AGO

Martin Wolf's column ("How to finance a faster shift to a better world", [Opinion](#), October 18) rightly acknowledged that enough has not been done to mitigate climate risks and that "we simply must do better". However, to do better, we also believe that the World Bank must include the fundamental issue of transparency among its priorities.

Like Ajay Banga, the bank president, we are not keen on buzzwords. That is why when, historically the World Bank Group has claimed that it is "greening" economies, supporting "net zero" initiatives, and "Paris alignment", we have always asked to see its numbers, and we have crunched and published our own.

For years, WBG representatives have dismissed our energy-related data as inaccurate, while at the same time refusing to provide us with their definitions and calculations. That is why at the Big Shift Global, a coalition of over 50 civil society organisations and think-tanks from the global north and south, we found it refreshing that in his speech during the recent "civil society town hall" in Marrakech, Banga shared the amount of fossil fuel financing the WBG directly provided last year — \$170mn. However, we find strong discrepancies in this data. Our own calculation shows the WBG directly financed \$885mn in fossil fuels in FY2022, \$634mn in calendar year 2022, and at least \$194mn in FY2023, though full reporting is not yet available. We would also like to point to the significant amounts of indirect finance the WBG continues to provide to fossil fuels. Since the WBG lends at concessional rates, this financing — whether direct or indirect — amounts to a subsidisation of fossil fuels, something Banga has himself spoken out against.

Banga also stated that "the investment [in fossil fuels] was in natural gas, where there is a pathway to transition from that". He added that "if you invest only in renewable energy and you don't invest in the ability to create base loads or the ability for natural gas to be there, that solution does not work".

This argument is not backed by the latest evidence which shows that pairing renewables with long-duration energy storage solutions provides a cleaner, more cost-effective answer for most use cases.

If the WBG is really to be taken seriously as a “knowledge bank”, then it is imperative that we know how much money is actually flowing towards what. The WBG must also strengthen its studies around the impact that this financing is having on reducing countries' fossil fuel dependency, increasing energy access and building resilient economies.

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