



THE G-24 2026 Technical Group Meeting:

Panel 3: Climate Change and Energy Transition Pathways

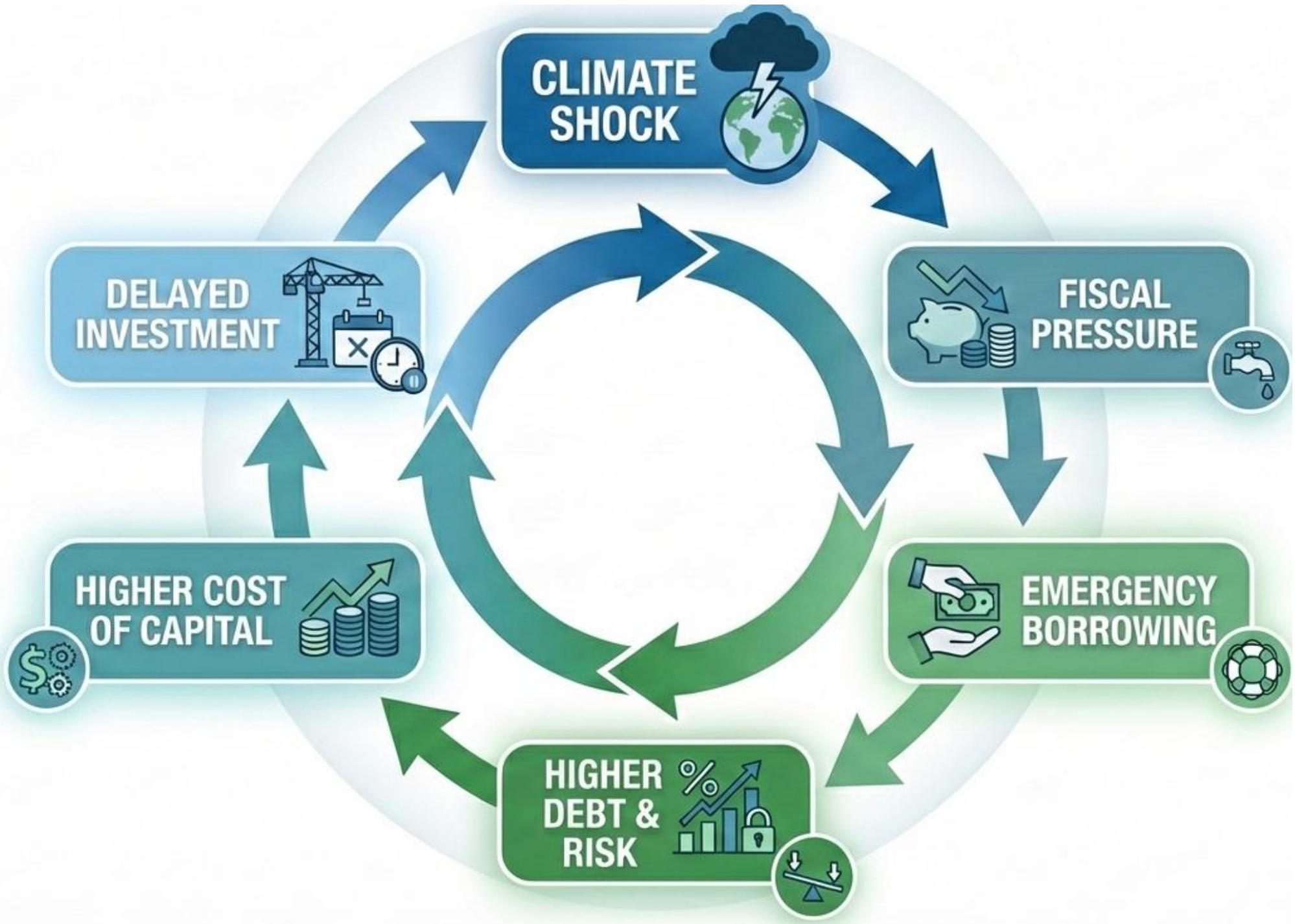
Dr. Hyginus "Gene" Leon
Executive Director

The Development Bank for Resilient Prosperity/"The Nature
Bank"



DBRP
DEVELOPMENT BANK
FOR RESILIENT PROSPERITY

Climate Shocks are Fiscal and Debt Events



- ✓ Shocks = fiscal, balance-of-payments, and debt events
- ✓ Vulnerability priced as permanent risk
- ✓ Resilience still financed as fragmented projects

Key Takeaway:
For vulnerable economies, climate shocks are macroeconomic shocks that raise debt, strain fiscal space, and keep the cost of capital high.

Transition Pathways



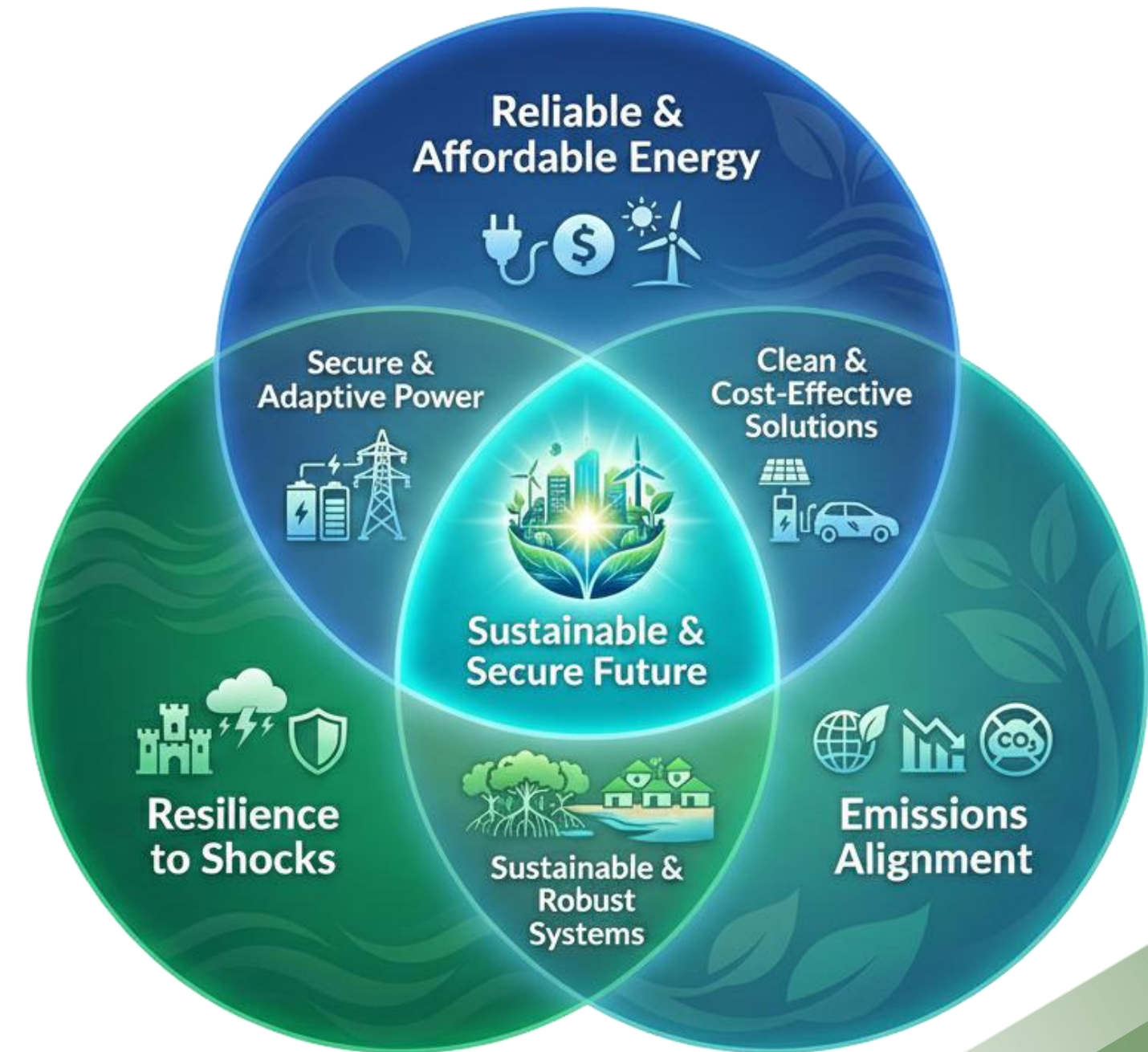
Tailored to national constraints: energy security, fiscal space, disaster risk



Priorities: efficiency, distributed renewables + storage, resilient grids



Nature-based protection as core infrastructure, not an add-on



Key Takeaway: Credible transition pathways for vulnerable countries must deliver reliable, affordable energy while strengthening resilience and reducing exposure to shocks.

Financing and macroeconomic trade-offs

Key Takeaway: The binding constraint for vulnerable countries is affordability; lowering the cost of capital and protecting fiscal space is essential for a viable energy transition.



SHOCK-DEBT TRADE-OFF

Repeated shocks and high borrowing costs force trade-offs between recovery and long-term investment



COUNTING FULL SYSTEM RETURNS

Full-system benefits must be counted: import savings, avoided disaster losses, health gains, and productivity



MAKING THE FISCAL CASE VISIBLE

Quantifying these returns strengthens the fiscal case and improves bankability



FROM PROJECTS TO PORTFOLIOS

Integrated, country-led portfolios, **not** fragmented projects, enable lower-cost, scalable finance



Equity and just transition



Power reliability



Lower energy costs



Jobs & skills

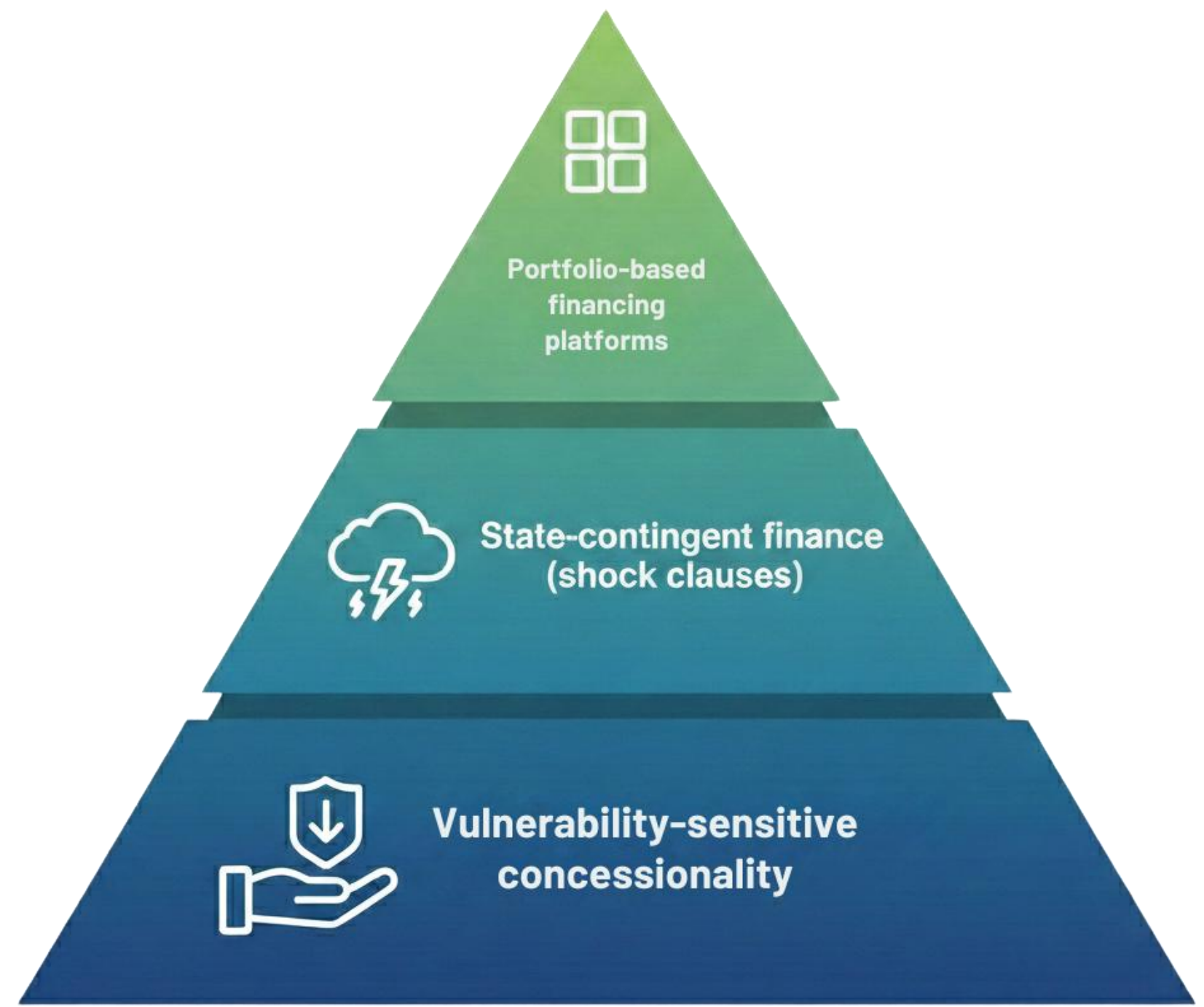


Cleaner air

- Expand clean cooking and resilient community power
- Protect vulnerable households (lifeline tariffs, targeted support)
- Build domestic skills and maintenance capacity

Key Takeaway: Transitions succeed only when households experience tangible benefits: reliability, affordability, jobs, and cleaner energy access.

Global Support and Implementation Reforms



- ✓ Nature must be treated as foundational economic infrastructure that strengthens resilience, fiscal stability, and investability
- ✓ Financing requires an interoperable ecosystem across central banks, MDBs, private finance, and regulators
- ✓ Investment decisions must track comprehensive wealth and resilience—not GDP alone!

Key Takeaway:

The international system must shift from promises to implementable, country-led resilience and transition pathways.



Thank You

Dr. Hyginus 'Gene' Leon
Executive Director
DBRP Program Team

•
Email: gene@dbrp.org
Website: <https://dbrp.sdg.org/>