The ARISE Program

Accelerating Resilience Investments and Innovations for Sustainable Economies

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ARISE Program

A Platform for Economic Resilience

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The Economic Case for Investing in Resilience

Resilience is an economic necessity, not an option

- Climate impacts are here now—**driving up costs, cutting productivity, damaging infrastructure, and worsening food insecurity.**
- 2024: Climate disasters cost the global economy US $350 billion.
- Developing countries need US $212 billion/year for adaptation.
- Without urgent investment, countries face:
  - Escalating fiscal instability
  - Mounting debt burdens
  - Increased economic fragility

ARISE: A Platform for Economic Resilience

Designed to respond to resilience finance trends

- Embeds climate risk into national economic systems
- Mobilizes private capital & de-risks investment
- Aligns public finance with national climate risk
- Elevates local leadership and solutions

ARISE is an investment platform—not just a fund—changing how countries build resilience into their economic foundation, supporting people and planet.

How ARISE Builds Resilient Economies

- Strengthens economic foundations in key sectors—**agriculture, water, energy, transport, and industry**—ensuring people, markets, and infrastructure can withstand climate shocks.
- **Integrates climate risk into public budgeting**, investment planning, and fiscal policy with Ministries of Finance.
- **Reduces sovereign debt risk** by cutting the fiscal costs of climate disasters, avoiding emergency borrowing, and protecting revenues.
- **Supports long-term systems** through policy reform and durable financial & regulatory ecosystems for sustainability – not just one-off projects.

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Locally Led, Nationally Anchored

Not just projects—National Systems Change

- **Country-driven by design:** Investment plans led by national governments and aligned with NAPs, NDCs, and national climate strategies to ensure ownership from day one.
- **Integrated into core economic planning:** Funding programmed with ministries of finance and planning to embed resilience in budgets, public investments, and development frameworks.
- **Inclusive and participatory:** Elevates local leadership and community priorities, with a focus on women, youth, Indigenous Peoples, and marginalized groups.

Private Sector Engagement

The ARISE Private Sector Set Aside (PSSA) to support

Requirements for participation in PSSA

To access the PSSA, countries must:

- Include the PSSA in their **Investment Plan (IP)**.
- Identify **priority sectors and enterprise types**.
- Align proposed activities with **national strategies** (e.g., NAPs, NDCs).
- Demonstrate potential to **crowd in private capital**.

ARISE: Alignment with NAP Process

Integrated Climate Resilience in Economic Planning and Budgeting - With Ministries of Finance

NAP Process

- Element A: Groundwork and Stocktaking
- **Element B: Preparation and Development**
- **Element C: Implementation and Integration**
- Element D: Reporting, Monitoring and Review
- **NAP Impacts**

ARISE Activities

- Strategic Alignment to the NAP Process through IP Process
- Deepened Risk Analysis in Economic and Social Systems
- Bankability of NAPs and High Impact Projects
- MDBs as a System to Support Transformational Change

ARISE Objective: Strengthening the resilience of countries' people, economies, and financial systems, ecosystems, physical assets, and public and private institutions, to achieve enhanced economic stability and human well-being.

Private Sector Mobilization & Financial Instruments enabling sustainable funding

ARISE Impacts

- Resilient Economic Systems
- Support Systems
- Resilient Social Systems
- Resilient Ecological Systems

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ARISE: Governance & Country Eligibility

Country Eligibility

- ODA eligible
- Active program with at least one of Partner MDB
- High-level commitment to adaptation
- Willingness for joint adaptation investment planning, aligned with NAPs (if applicable) and broader fiscal plans and budgets
- Alignment of ARISE with other key workstreams/institutions, including other MCFs or other CIF programs
- Strong commitment to gender equality and engaging vulnerable communities
- Commitment to engaging the private sector and promoting private investment

→ **Decision-making body of ARISE:** CIF's Strategic Climate Fund (SCF)

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CIF CLIMATE INVESTMENT FUNDS

Investing in the future

African Development Bank · ADB · European Bank for Reconstruction and Development · IDB · World Bank Group · The World Bank IBRD • IDA · IFC International Finance Corporation

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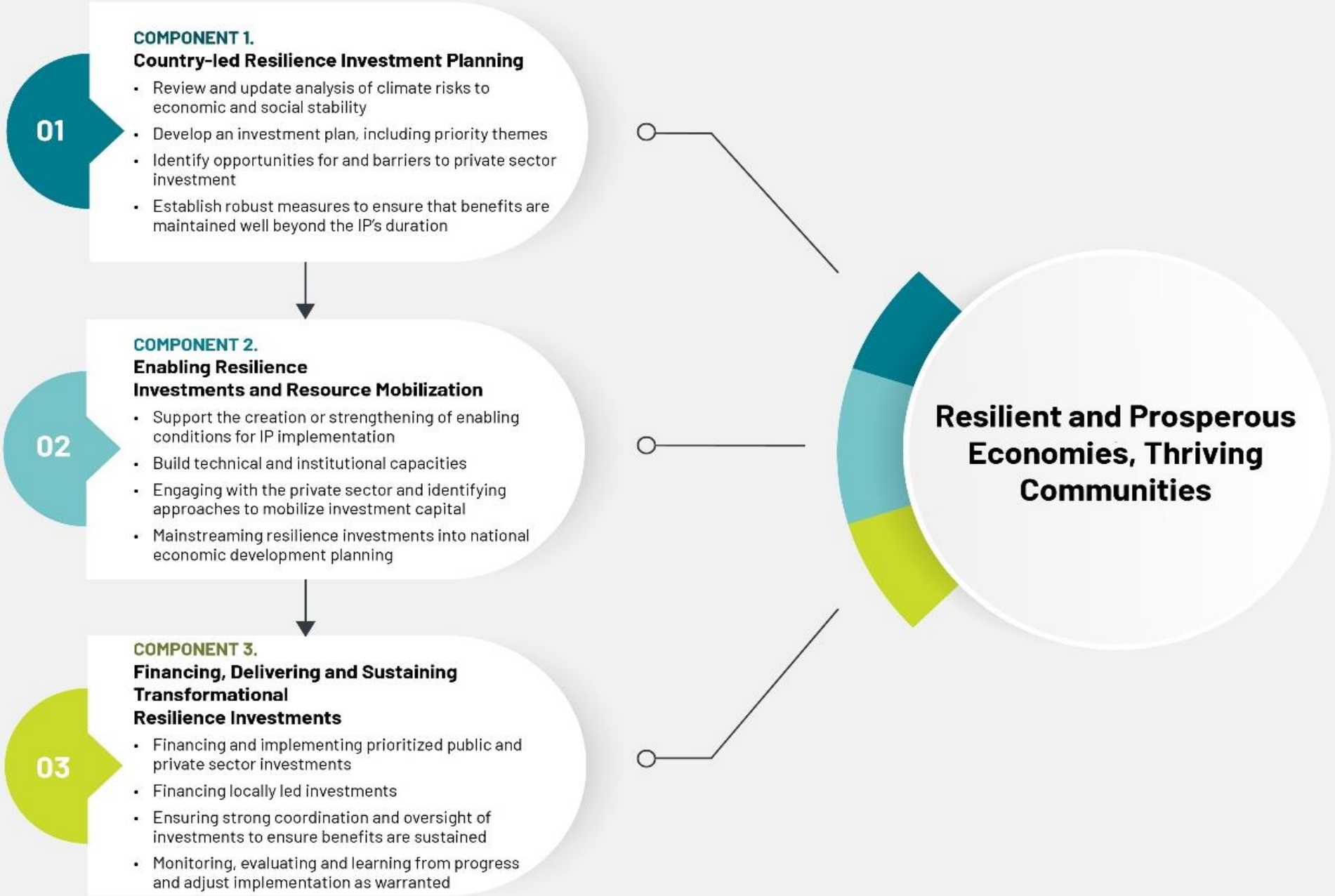
ARISE: The Components



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ARISE: Investment Criteria

- Alignment with **ARISE objective and target outcomes**;
- Alignment with **Investment Plan priorities** (Component 1)
- Potential for **transformational change**
- **Financial effectiveness**, including value for money, complementarity with resilience investments by other actors, and potential to mobilize additional resources (including from the private sector)
- **Pathway to implementation**, with demonstrated engagement by key governmental stakeholders
- **Development impacts** (contributing to SDGs)
- **Broad-based benefits** that reach all groups within communities, including men and women, youth, people with disabilities, and people who have historically been disadvantaged or marginalized.

ARISE: Transitioning from PPCR to ARISE

Lessons Learned From PPCR	ARISE Design
The **Programmatic Approach** helped countries design programs relevant to climate and development needs.	**Strengthens the Programmatic Approach by maintaining what worked** - Ensuring increased support to attaining transformational change including **long term sustainability** - Ministries of Finance/Planning as entry point – **leads to scaling** - Embedding support systems beyond IP development through to implementation & review
Not adequately designed to support **private sector investments** and crowd in resources	Focuses on enabling **adaptive and innovative finance at scale** within prioritized systems for resilience, creatively **integrating public and private** sectors to plan and invest in resilience
Addressed climate risks and vulnerabilities by providing **isolated solutions** to those risks and vulnerabilities	Employs an integrated **systems-based approach**
PPCR successfully piloted investments in resilience without strategic plan to **scale**	Engages the broader **financial system** – Ministries of Finance/Planning - blended finance, innovative financial instruments, leveraging on MDBs partnerships with countries. Ensuring **vertical integration** (national, regional, subnational and local)
PPCR suffered from **unsustainability** of investments	Enhances **adaptative sustainability** through innovative engagements and strengthened local institutions and organizations On going monitoring and midterm evaluation to inform early decision making that **builds sustainability**

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ARISE: Key Considerations

ARISE fills a critical gap by delivering concessional finance to strengthen the resilience to climate change of people, economies, institutions, and ecosystems.

- Designed for **transformational, country-led**, and **systemic change**
- Designed to **stimulate resilience investments** through robust frameworks
- **Flexible concessional finance** to be responsive to country resilience needs
- **Private sector engagement**
- Scalable, sustainable, **programmatic and long-term resilience investments**
- **Integrated planning and governance** frameworks
- Sharing **knowledge, and learning** of best practices

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