



المؤسسة الإسلامية لتأمين الإستثمار و ائتمان الصادرات
THE ISLAMIC CORPORATION FOR THE INSURANCE OF INVESTMENT AND EXPORT CREDIT
(عضو مجموعة البنك الإسلامي للتنمية - Member of the Islamic Development Bank Group)



ICIEC Staff Retreat and 30th Anniversary Celebration

19 - 20 December 2023

CLIMATE CHANGE & ESG

Outline



Climate Vulnerability

Context

From Pledges to Action

Role & Functions of Climate Change and ESG

Climate Change & ESG Framework in Institutional Framework

Envisaged Gains

2024 Targets and Initiatives

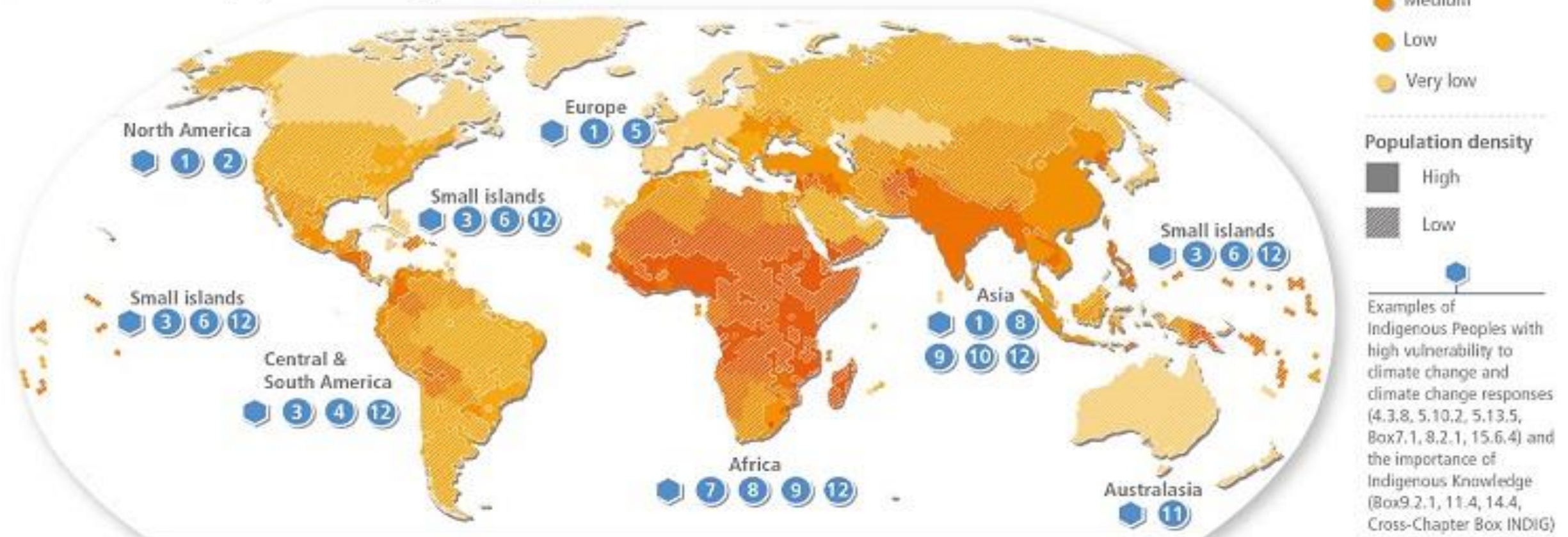
Human Capital Management Needs

Policy and Framework

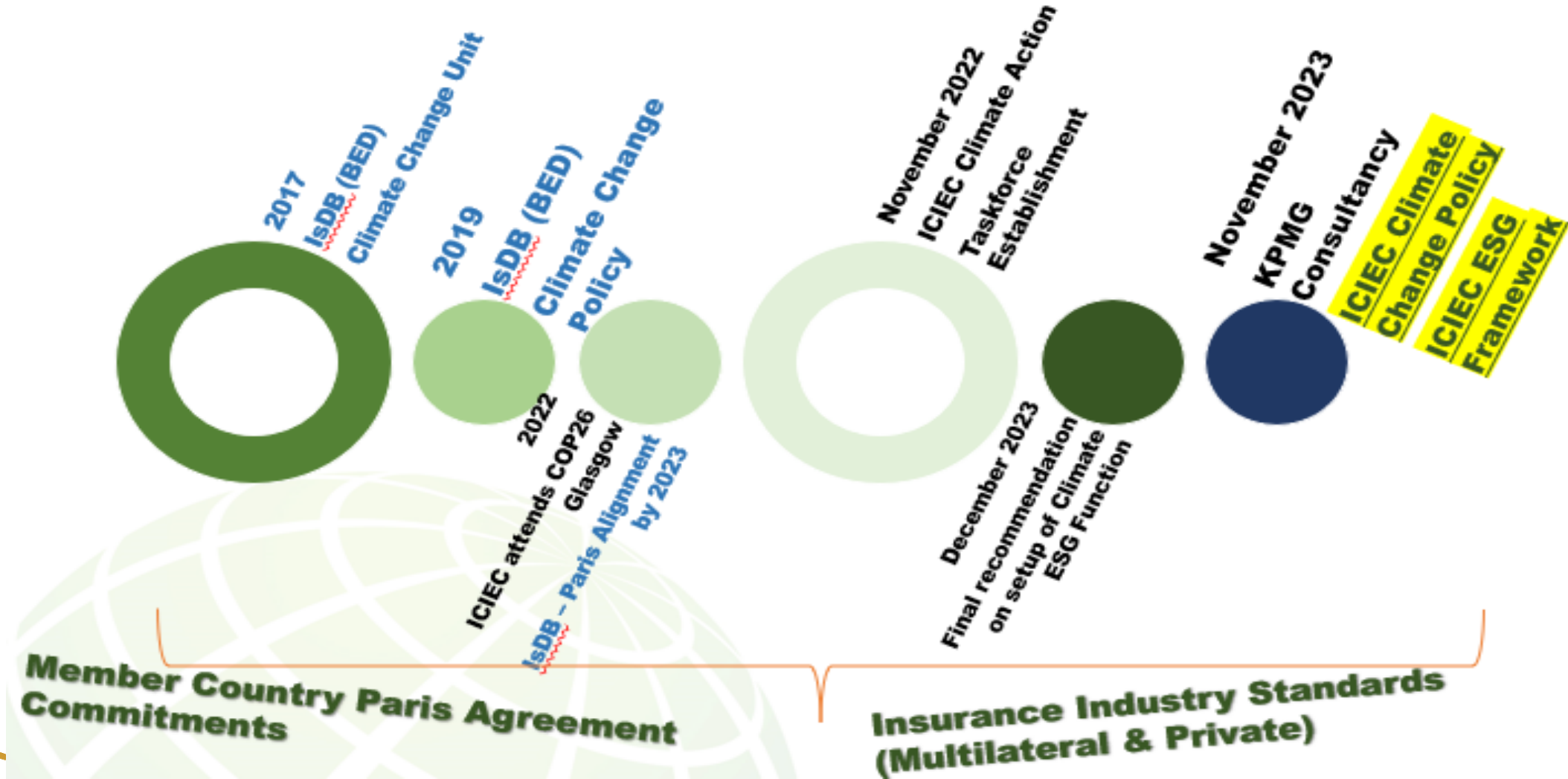
Climate Vulnerability

Observed human vulnerability differs between and within countries and strongly determines how climate hazards impact people and society

(a) Map of observed human vulnerability based on two comprehensive global indicator-systems using national data, plus examples of selected local vulnerable populations and Indigenous Peoples



Context



From Pledges to Actions



ESG Framework



Climate Change Policy



Y2Y Business Insured Target



Role & Principal Functions

- i. Focal point for all Climate Change and Environment/Nature related programs, projects and initiatives in ICIEC.
- ii. Focal point for the Environmental, Social and Governance (ESG) Policy operationalisation and implementation in ICIEC.
- iii. Work with Regional Offices and Member Countries including partnering with other MDBs, the private sector, and other relevant stakeholders in this domain,
- iv. Contribute to the development of key results targets and performance indicators (KPIs) related to delivery of Climate, Environment and ESG related strategies and disseminate these targets.
- v. Monitor Climate Change and Environment related outputs/outcomes and finance, in conjunction with defined KPIs to assess adherence to sector and Bank-wide strategies.
- vi. Provide inputs to Regional Offices in preparation of MCPS.
- vii. Engage with relevant external stakeholders for mobilisation of resources for climate change and environment financing de-risking through the private sector, development partners, climate funds, or developed countries' governments.

Role & Principal Functions

- ix. Validate accounting for all projects' Greenhouse Gas (GHG) emission reductions and capture climate change activities in ICIEC projects, ensuring harmonisation with IsDB's climate change accounting principles and those of other MDBs and IFIs.
- x. Contribute to the development of the relevant Knowledge Management and Institutional Learning units of the Bank in areas related to Climate Change, Environment and ESG.
- xi. Contribute to the development and improvement of the Bank's policies, guidelines and procedures relating to the functions of Climate Change, Environment and ESG.
- xii. Provide inputs to ICIEC's annual budgeting process and allocation of resources to the CCF.
- xiii. Provide assistance to UOD for clearing projects for technical viability, thereby ensuring adequate climate, environmental and social screening (for risks and opportunities) is carried out.

Role & Principal Functions

- ix. Undertake research work through internal or external experts to develop high quality, relevant knowledge and tailor products to serve the needs of different stakeholder groups.
- x. Work closely with Communications to develop and implement a comprehensive communication plan for climate change, environment and ESG related knowledge products.
- xi. Coordinate with Treasury in their green and sustainable investments.
- xii. Ensure effective dissemination of the knowledge generated through appropriate means, such as meetings with member country stakeholders, partner organisations, in-person/virtual country-to-country exchanges, case studies, knowledge notes, or other knowledge products.

Role & Principal Functions

- xvii. Provide training to ICIEC staff in the area of Climate Change, Environment and ESG issues and to act a focal point for technical clarifications on Climate Change, Environment and ESG issues to Regional office staff.
- xviii. Monitor (and support as needed) ICIEC's global portfolio of projects and transactions with significant share of climate and environment relevance which may also include overseeing consultants, as well as project level Monitoring, Reporting, and Verification (MRV) especially on climate and environment-related project-level KPIs.
- xix. Prepare related policy briefs and notes and keep abreast of international developments/advancements in climate change and environment.
- xx. Represent ICIEC in local and international forums pertaining to Climate Change, Environment and ESG.

Climate Change & ESG Framework in Institutional Framework



Envisaged Gains



Targets and Objectives



Training, Green Assessment Matrix, KPI's



13% Total Business Insured – Climate Action



De-Risking with Global Partners in Blended Climate Finance



Recruitment of 1 staff



ICIEC's 1st Sustainability Report

Human Capital Management Needs

Training

**Regional offices
climate focus**

Smart KPI's

**Operational
Manual update**

**Recruitment of 1
staff**

IsDBG Synergy

Policy and Framework

Climate Change Policy Draft



Figure 1: ICIEC Climate Change Policy

Internal Operations	Insurance	Risk Management	Contribution to Capacity Building	Communication
Operationalization of climate change management across ICIEC internal operations focusing on decarbonization initiatives, policies, and plans to manage the organization's own carbon footprint	Opportunities for ICIEC to incentivize and contribute to scaling up climate agenda across member countries	Approach to climate-related risks in Risk Management	Integration of climate change in ICIEC capacity building support and engagement with member countries	Development of climate change-specific reporting at the level of the organization and its development impact intervention in member countries

ESG Framework Draft



1. Executive Summary
2. Introduction
3. ICIEC Governance and Business Strategy
 - 3.1 ESG within ICIEC's broader strategic approach
 - 3.2 Risk Management
 - 3.3 Monitoring and Evaluation
 - 3.4 Roles and Responsibilities
4. Products and services innovation
 - 4.1. ESG-driven product offering
 - 4.2 External engagement
5. Internal operations and capabilities
 - 5.1 Management of operational impact
 - 5.2 ESG awareness and training
6. Reporting
7. Conclusion

THANK YOU



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