



Bilateral Climate and Development Partnerships

Partnership with the Western Balkans for more ambitious climate action

Concept

A consistent and ambitious climate foreign policy is a key priority for the German government. Together with developing countries and emerging economies, Germany is working on achieving the goals of the Paris Agreement, which are aimed at limiting the rise in global temperature to 1.5 degrees Celsius. The ambition of the cooperation focuses on both mitigation and adaptation.

The German government has forged bilateral Climate and Development Partnerships with a number of its development cooperation partner countries. They are countries that are both ambitious and reform-oriented and that play an important role in climate policy. The partnerships support these countries in implementing their national climate goals and adapting to climate change. In doing so, the partnerships combine climate goals with social and economic development in line with the Sustainable Development Goals (SDGs).

The partnerships' central goal is to ensure that the transformation necessary for achieving the climate goals is socially just ("just transition"). That is a challenge that involves the whole of society, which is why bilateral Climate and Development Partnerships go beyond cooperating only with governments but also involve civil society, trade unions, the private sector and science and academia. Whilst the partnerships are designed as bilateral partnerships, they are however open to contributions from other bilateral and multilateral donors.

Design

The partnerships are designed to be long term and the governments involved agree on quantifiable goals. They build on the partner countries' nationally determined contributions (NDCs), adaptation strategies (e.g. national adaptation plans) and long-term strategies, as well as the SDGs and national sustainability strategies. They also support the partner countries in engaging in international climate alliances and initiatives.

Finance

In addition to its bilateral development cooperation funds, every year the Federal Ministry for Economic Cooperation and Development (BMZ) supports promising adaptation and mitigation projects using funds from the "P+ Facility" as a relevant financing instrument. Additionally, countries can receive funding from the International Climate Initiative (IKI). Moreover, additional private capital can be mobilised for further projects.

Objectives

Raising developing countries' and emerging economies' **ambitions** on achieving national resilience and their climate goals

Green and socially just transition

Key elements

Climate policy dialogue, monitoring and support

Partnerships are a key element of Germany's climate foreign policy

Involvement of all stakeholders

→ Government
→ Civil society
→ Private sector
→ Academia
→ Trade unions

Diverse financing instruments

→ "P+ Facility"
→ Bilateral resources
→ Special funds
→ Further sources

Mobilising additional donors and resources

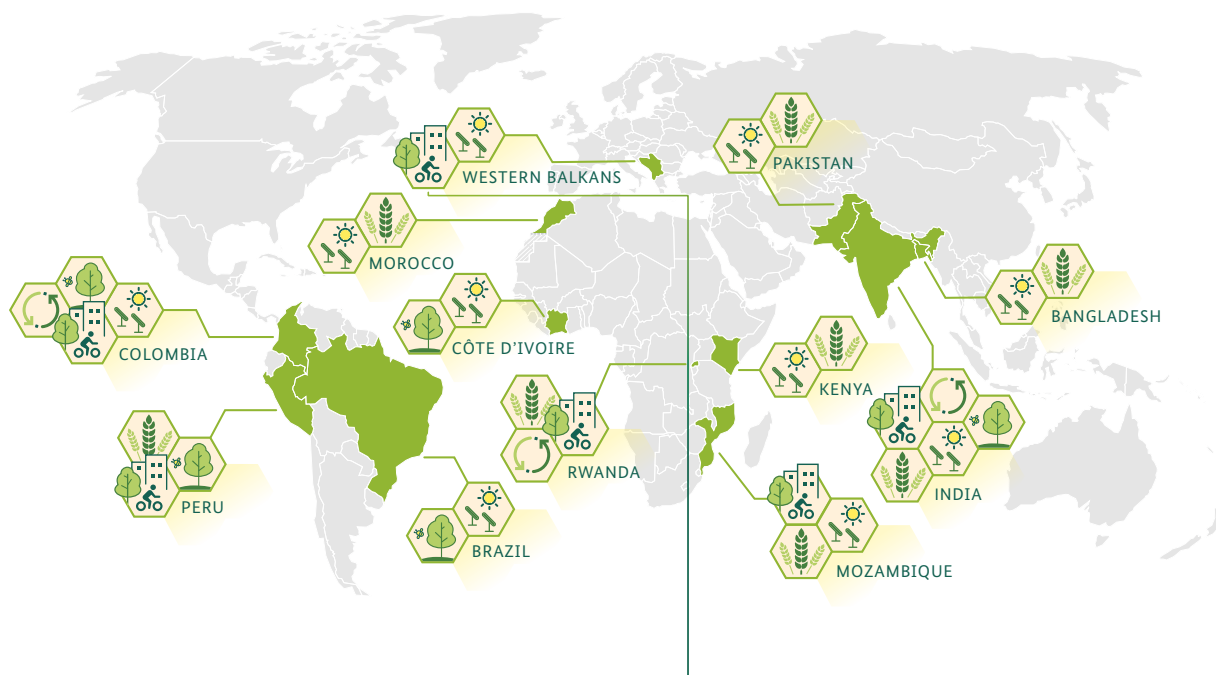
interlocking bilateral and multilateral sources

Framework

Linking the Paris Agreement to the Sustainable Development Goals (SDGs)/2030 Agenda so as to approach **transformation holistically** by supporting mitigation and adaptation measures

Countries and priorities

Each partnership focuses on climate action as well as country-specific topics. These are selected in partnership. There are bilateral Climate and Development Partnerships with eleven countries and one regional partnership with the Western Balkans.*



Regional German-Western Balkan climate partnership

Germany and the Western Balkans are working closely together on climate issues, especially in the energy sector. As the region is heavily dependent on fossil fuels, there is a great need to expand renewable energies and improve energy efficiency. Since 2021, Serbia and Germany have been deepening their cooperation towards a climate-friendly future as part of the Strategic Cooperation on Climate Action. At the Western Balkans summit in October 2023, governments decided to expand the cooperation and make it the first regional climate partnership.

The overarching goal of the climate partnership is to accelerate the implementation of the Green Agenda for the Western Balkans in cooperation with Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia. The BMZ supports the expansion of renewable energies at all levels. Policy-Based Lending (in Albania and Serbia, for example) helps to improve the enabling environment, especially for private investments (for example, through auction mechanisms). Solar and wind energy projects with regional state-owned utilities (in Bosnia and Herzegovina, for example) ensure that the public sector can also participate in the energy transition. Private individuals and companies benefit from German support which promotes photovoltaic systems for private individuals and makes them prosumers (producer and consumer in one person).

The regional climate partnership helps to reduce the impact of the energy crisis on vulnerable sections of society, stabilise the energy sector and reduce dependence on fossil fuels. It also supports regional cohesion and the EU accession process. A particular focus will be on decarbonisation, just transition and the promotion of renewable energy use.

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* The bilateral Climate and Development Partnerships have country-specific names that vary for each partnership.