

RESILIENCE LEARNING MONTH EVENT

Focus Group Discussion on Climate Finance Tracking and Paris Agreement Alignment



Event Details

Focus Group Discussion (FGD) on Climate Finance Tracking and Paris Agreement Alignment

25 November 2021 | 3:00 – 4:30 p.m. (Manila time) | Virtual

Opening Remarks: Manoj Sharma, Chief of Urban Sector Group, Sustainable Development and Climate Change Department (SDCC)

Moderator: Virinder Sharma, Principal Urban Development Specialist, SDCC

Speakers:

- Christian Ellermann, Senior Climate Change Specialist, SDCC
- Arghya Sinha Roy, Principal Climate Change Specialist (Climate Change Adaptation), SDCC
- Okju Jeong, Urban Climate Change Resilience Trust Fund (UCCRTF), SDCC
- Ramon Abracosa, UCCRTF, SDCC
- Thuy Trang Dang, Senior Urban Development Specialist, Southeast Asia Department (SERD)
- Luca Di Mario, Urban Development Specialist, South Asia Department (SARD)
- Stefan Rau, Senior Urban Development Specialist, East Asia Department (EARD)
- Yuki Ikeda, Public Management Economist, Pacific Department (PARD)
- Asif Turangzai, Associate Project Officer, Central and West Asia Department (CWRD)
- Geoffrey Wilson, Senior Water Resources Specialist, SDCC
- Alessio Giardino, Senior Water Specialist (Climate Change), SDCC

Focus Group Discussion (FGD) on Climate Finance Tracking and Paris Agreement Alignment

SDCC-URG, Climate Change and Disaster Risk Management Division (SDCD), and the urban divisions of Operations Departments (ODs) jointly organized a deep dive FGD for the urban sector staff on ADB's procedures for working on the Paris Agreement (PA) alignment and tracking of climate finance (mitigation and adaptation) at the project level.

The FGD included specific guidance and clarifications, and case studies on applying the ADB procedures on PA alignment. It served as a consultative platform on how urban sector group (USG) could scale up climate finance, particularly adaptation finance; complete the USG's guidance note (GN) for PA alignment currently in preparation; and streamline the overall climate finance tracking process and PA.

ADB commits to full alignment with the goals of the PA and will achieve full alignment of its sovereign operations by 1 July 2023. Alignment of its non-sovereign operations will reach 85% by 1 July 2023 and 100% by 1 July 2025.

To be considered Paris-aligned, a project must conform to alignment criteria under both Building Block 1 (BB1) and Building Block 2 (BB2) of MDB methodology for PA alignment.

- **BB1 is on mitigation.** To be aligned, a project must contribute to climate action consistent with the mitigation goals of the PA or have a negligible impact on climate change and not lead to lock-in of carbon-intensive development.
- **BB2 is on adaptation.** It mainly checks whether climate vulnerabilities were systematically examined during project preparation, and that resilience measures were adopted in case significant vulnerabilities were found.

Manoj Sharma, through his scene setting opening remarks, outlined ADB's ambition on climate change. He highlighted challenges and opportunities in achieving the climate finance targets and encouraged colleagues to share their suggestions.

“Our proportion on adaptation finance is about 20% of the total climate change finance. How soon can we reach 50% in adaptation and resilience finance?”

Manoj Sharma, Chief of USG

SDCC is coordinating climate finance and PA alignment. Succeeding SDCC's overview on PA alignment and overall climate finance, SDCC-URG provided status update on PA GN for urban operations, along with key findings from OD consultations in July. Five (5) project cases from the urban divisions of Operations Departments, specifically from SERD, EARD, SARD, PARD and CWRD, were then presented and shared lessons and recommendations. This was followed by a discussion of the key issues, including the feedback from water sector group.

In the Q&A and synthesis, Virinder Sharma noted that the discussions were a testimony that ADB are effectively moving forward to achieving its high ambitions on climate finance, scaling up adaptation and PA alignment.

The FGD was part of the special events of the 2021 ADB Resilience Learning Month led by the SDCC.

Access the presentations [HERE](#).

Key takeaways

- Bringing together over 70 participants, the FGD constitutes an excellent collective effort between SDCC-URG, SDCC, ODs, and other sector groups of SDCC, to further expand climate finance; and mainstream a new process, namely Paris Agreement alignment, for urban operations.
- Consultations on project cases and specific issues - procedural and technical - will follow. Discussions will feed into the USG GN.
- USG will play a key role in PA implementation. It will lead to clarify and elaborate how the MDB/ADB PA methodologies can be interpreted and implemented in the sector, while reflecting specificities of urban operations and through streamlined process.

Further Information

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