



BUSINESS OPPORTUNITIES FAIR



Asian Development Bank Headquarters, Manila, Philippines

8th ADB Business Opportunities Fair

Thematic Opportunities: Environment and
Climate Change

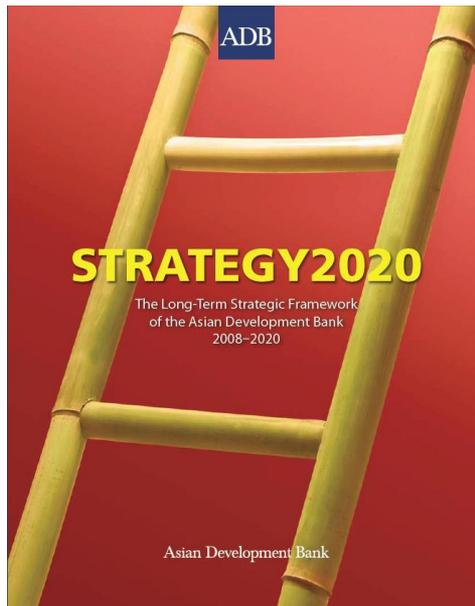
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23 March 2017

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ADB's Long-term Strategic Framework (2008-2020)



- Inclusive Economic Growth
- Regional Integration
- Environmentally sustainable growth
 - Environment including **climate change**: one of the five core areas of operations

ADB Environment Operational Directions (2013-2020)



Promoting a
shift to
sustainable
infrastructure



Investing in
natural capital



Strengthening
environmental
governance
and
management
capacity

Climate change (mitigation and adaptation)



ADB

Sustainable Infrastructure

Clean Energy Program aims to invest for renewable energy and energy efficiency systems

- Energy efficiency
- Renewable (solar, wind, hydro)

Sustainable Transport Initiative aims to invest for clean, safe and affordable transport systems

- Public transport infrastructure
- Rail infrastructure
- Road safety

Water Financing Program aims to invest for safe water and sanitation

- Water efficiency
- Climate-resilient water resource management
- Energy-water-food nexus

Urban Operations Program aims to invest for improved environmental infrastructure

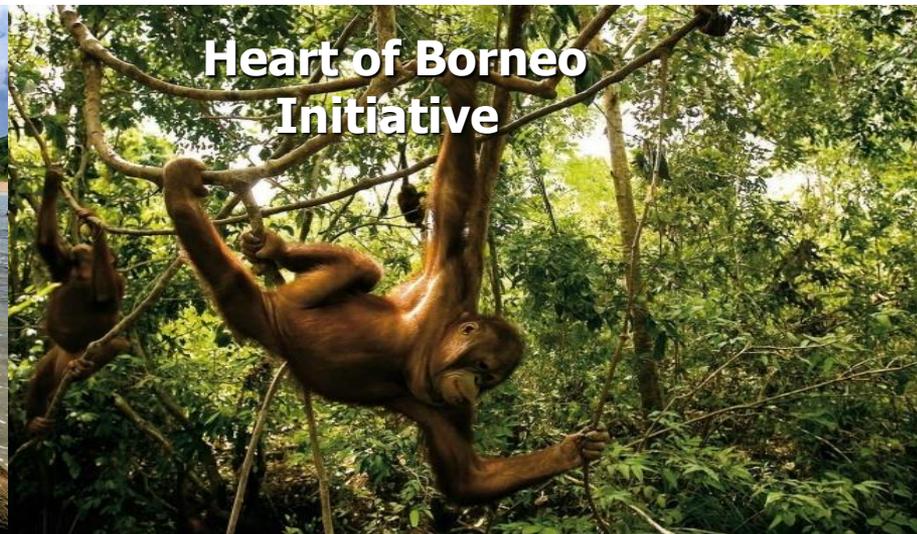
- Integrated urban planning
- Green and low carbon cities
- Innovative financing

Investing in Natural Capital: Flagship Biodiversity Initiatives

Coral Triangle Initiative



Heart of Borneo Initiative



GMS-CEP Biodiversity Corridor Initiative

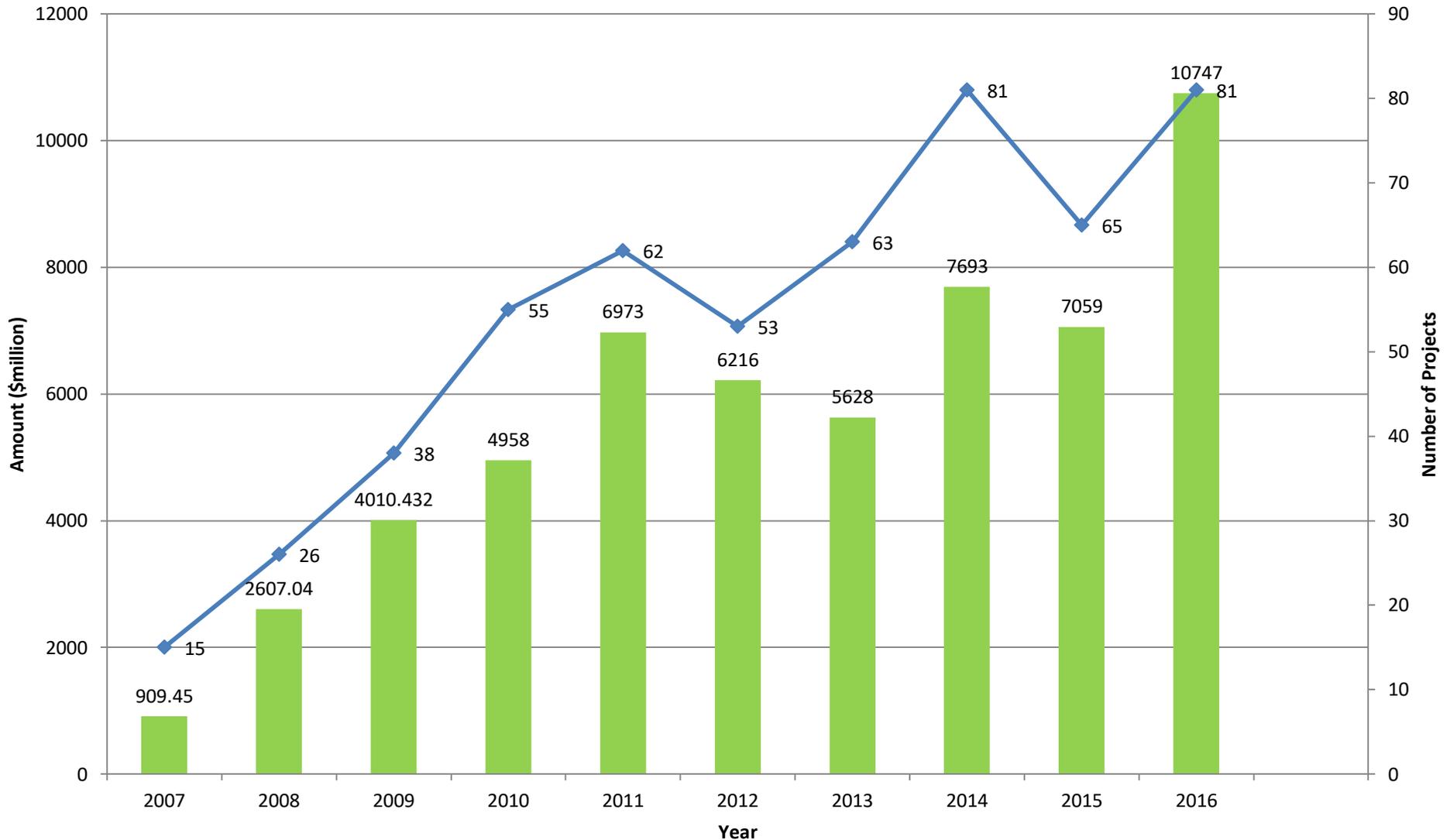


Strengthening Environmental Governance

- Strengthen key institutions with a role in environmental management , and pursue improved environmental compliance and enforcement
- Implement ADB safeguard policy statement and support country environmental safeguards systems
- Facilitate transparency, disclosure and accountability

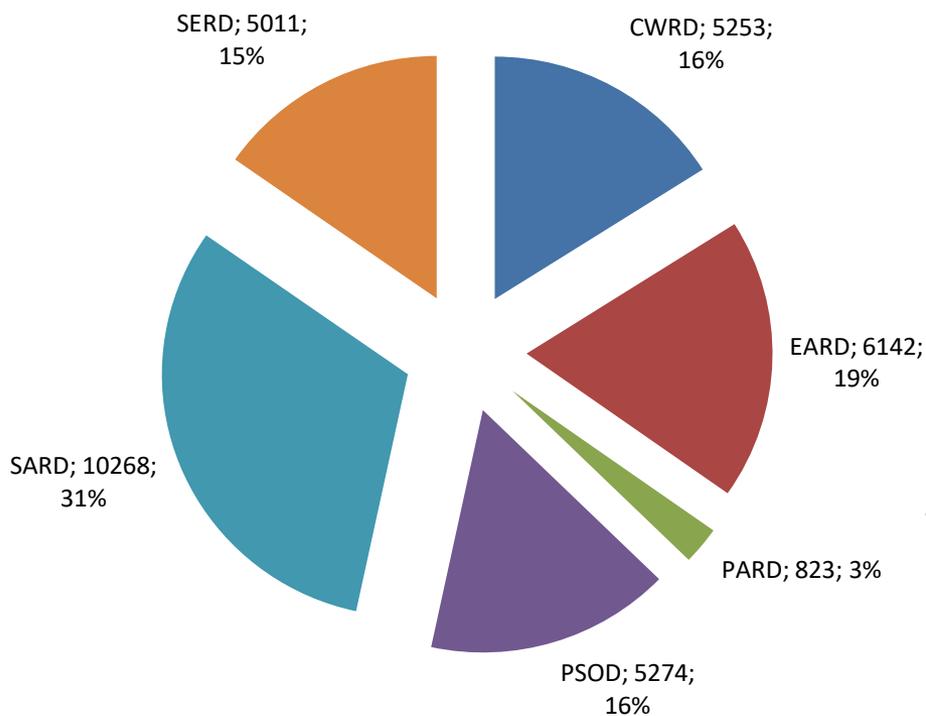


Projects with Environmental Sustainability as a Theme: Loan Amount and Number of Projects (2007-2016)

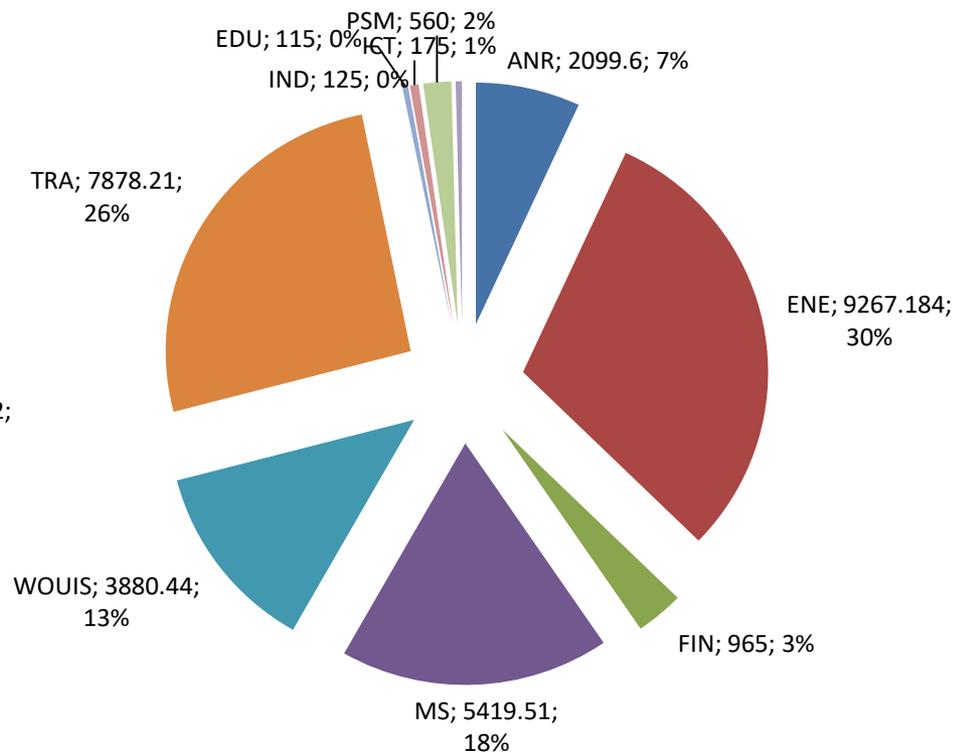


Projects supporting Environmental Sustainability, 2013-2016 (\$million)

2013-2016



2013-2016



ADB MTR2020: Strategic Priorities and Climate Change

		Modalities		
		Finance	Knowledge	Partnerships
Seven Priorities	Clean Energy Investments, Energy Efficiency and Urban Development			
	Increase Assistance for Sustainable Transport			
	Scaling-up Support for Climate Change Adaptation			
	Strengthen Integrated Disaster Risk Management			
	Promote Natural Resources Management			
	Strengthen Policies and Capacities			
	Facilitate Access to Climate Finance			



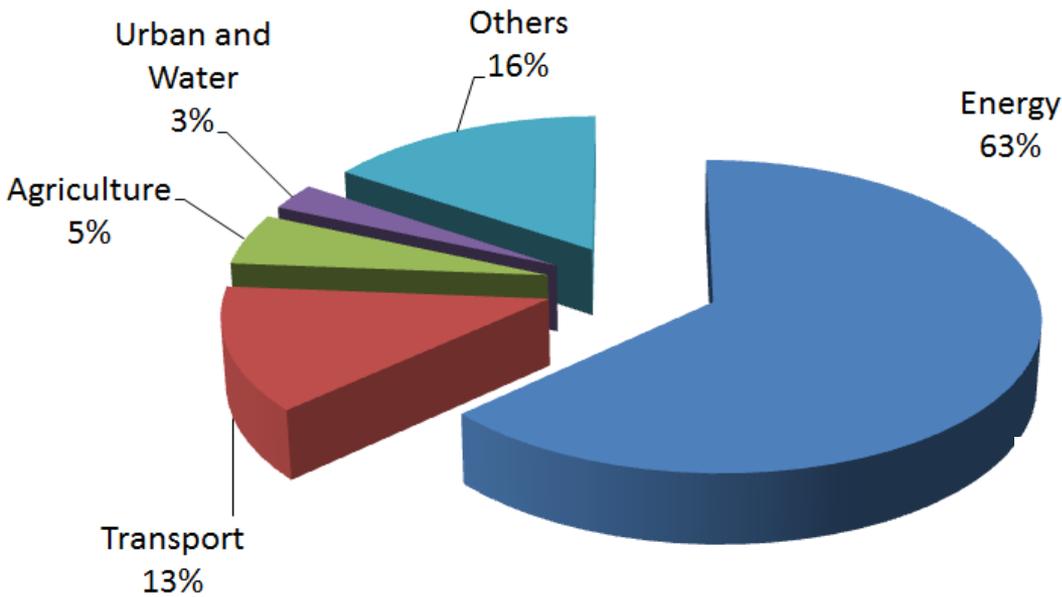
Corporate Targets and Realignment

- **New Corporate Target for Climate Finance**
 - ADB to invest \$6 billion for climate change by 2020
 - Of this, \$4 billion for mitigation and \$2 for adaptation
 - ADB climate operations reached \$3.7 billion in 2016 (42% growth since 2015). Including external co-financing, ADB delivered \$4.4 billion in 2016.
- **Targets under the Corporate Results Framework :**
 - ADB-assisted projects that support environmental sustainability: 50% for ADB; 40% for ADF by 2016
 - ADB-assisted projects that support climate mitigation and/or adaptation: 45% for ADB, 35% for ADF by 2016
- **Revised project classification system:** records (i) level of climate risks; (ii) emission reduction/avoidance; (iii) climate mitigation and adaptation finance
- **Institutional Realignment:** Sustainable Development and Climate Change Department and upgraded Climate Change and Disaster Risk Management Division
 - Consolidated adaptation with disaster risk management team
 - Climate change as one of eight thematic groups

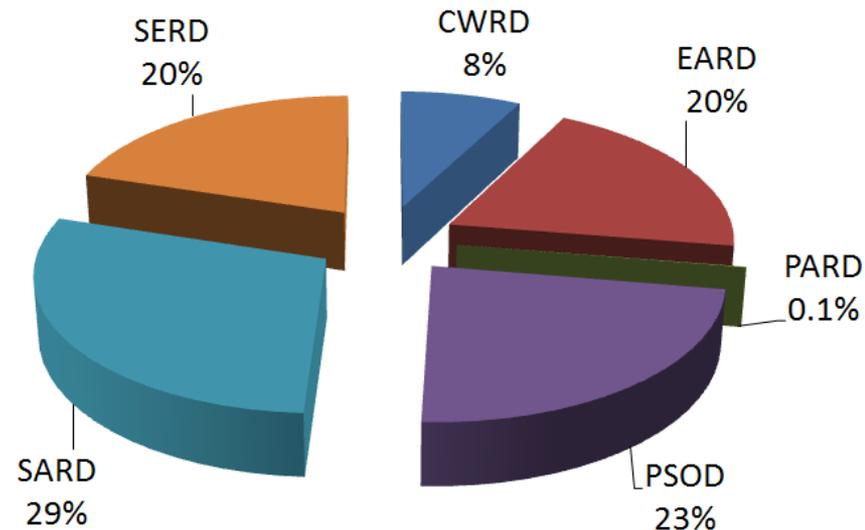


2015 ADB Climate Finance

By Sector



By Department



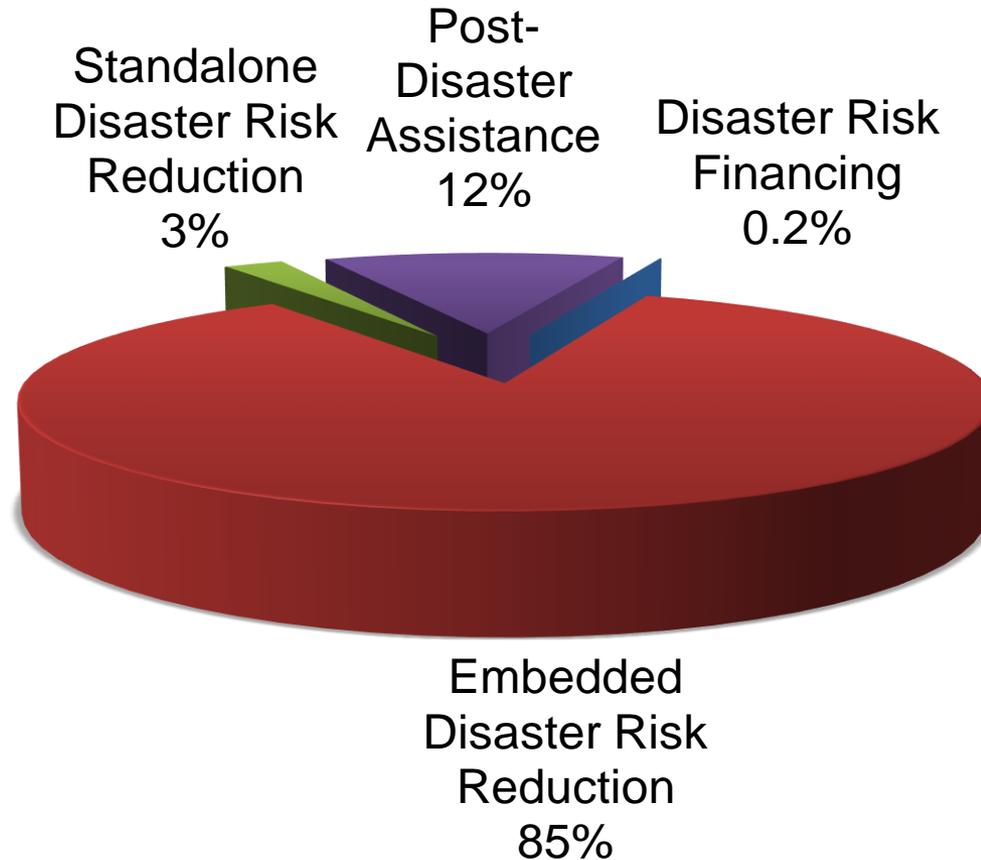
Total investments: \$2.678 billion

Mitigation: \$2.397 billion

Adaptation: \$281 million

Note: Using MDB methodology. Estimates are preliminary and subject to verification. Excludes external resources.

2015 DRM Operations



27% of ADB investments have DRM Features



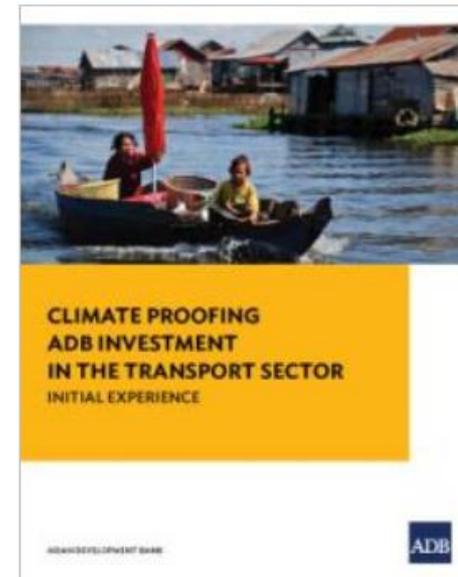
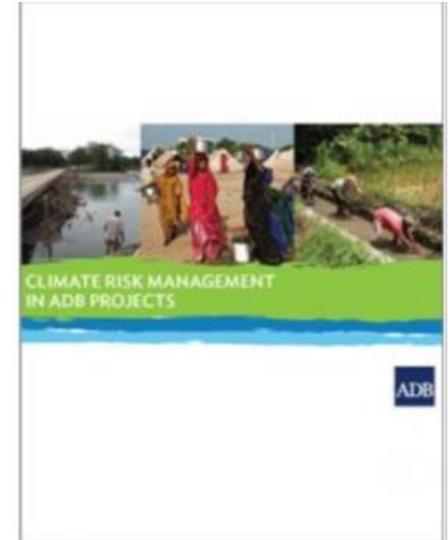
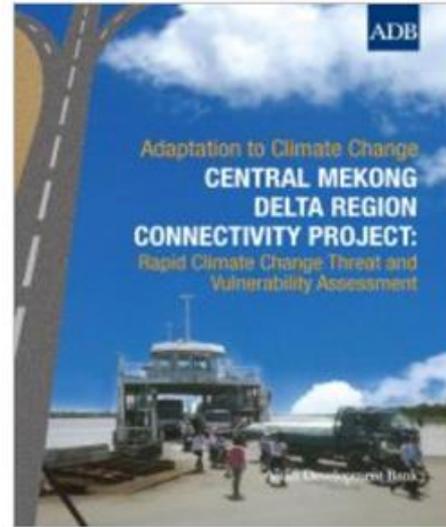
Mitigation Initiatives

- Clean Energy
 - > \$2 billion since 2011
 - Asia Solar Energy Initiative: 3,000 MW new capacity by 2015
 - Quantum Leap in Wind: 1 GW
 - SE4All Initiative: access for 100 million poor
- Sustainable Transport & Urban Devt.
 - Sustainable Transport Initiative: Avoid, shift, improve
 - Urban Operations Plan: Green, Inclusive, Competitive Cities
 - Cities Development Initiative for Asia
 - Future Cities
- Land Use and Forest Management
 - Piloting REDD+/FIP:
Indonesia, Lao PDR



Adaptation Initiatives

- Mainstreaming climate resilience in core development planning
 - Pilot Program on Climate Resilience for Bangladesh, Cambodia, Nepal, Papua New Guinea, Samoa, Tajikistan and the Pacific
- Climate proofing vulnerable projects: roads and bridges, ports, water supply and drainage
- Knowledge support: regional climate projections consortium data facility , guidance and tools
- Addressing social dimensions : migration, gender, health impacts
- Greater emphasis on integration of adaptation and disaster risk



Knowledge and Partnerships

Knowledge Products

- Economics of climate change and GHG accounting
- Flagship studies (migration, agriculture, health)
- Mitigation, clean energy and energy access
- Adaptation, risk management and climate risk screening tools
- Climate technology and climate finance
- Urban resilience and sustainable transport

Partnerships

- Climate finance tracking and reporting, GHG accounting, transport (with MDBs, others)
- Asia Pacific Adaptation Network (with UNEP, IGES, others)
- Asia Clean Energy Forum, Urban Forum, Transport Forum (with several partners)
- The Global Commission on the Economy and Climate
- Centers of excellence (COEs) actively providing ideas (knowledge solutions) to solve problems
- Regional Consortium and Data Facility
- Climate services for resilient development



PRC: Beijing-Tianjin-Hebei Air Quality Improvement - Hebei Policy Reforms Program

Funding. ADB loan of \$300 million and \$166.7 million from KfW. The estimated government counterpart is \$4.1 billion.

- The first ADB policy-based loan to PRC addresses air pollution in the Greater Beijing Capital Region
- Will contribute to PRC's commitment of reducing GHG emissions
- Key sectors under this project include:
 - Energy
 - Transport
 - Public sector management (environmental governance)
 - Education/training for employment promotion
- Policy reforms to lay institutional and regulatory framework



Context

Internal

ADF/OCR
merger

Climate finance
target:
\$4 billion mitigation
\$2 billion adaptation

Strategy 2030
preparation

Operational Plan for
Integrated Disaster
Risk Management

Climate Change
Strategic Framework
2017-2030

External

Paris Agreement,
(Intended) Nationally
Determined contributions
(I)NDCs

SDGs: Climate change
cross-cutting in 13 of
17; disaster risk
reduction in 4 of 17

Sendai
Framework for
Disaster Risk
Reduction

Greater knowledge on
climate change impacts

Scaled up
climate
action for
enhanced
resilience



Climate activities in 2017

- Development of a Climate Change Strategic Framework to scaled up delivery of support on climate change
- Engagement with DMCs on NDC implementation
- Enhancing readiness of DMCs for accessing climate finance from Green Climate Fund and others
- Continue bilateral work on climate change with selected DMCs
- Piloting innovative financial instruments

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