



# 10th BUSINESS OPPORTUNITIES FAIR 2019



## Thematic Opportunities CLIMATE CHANGE AND DISASTER RISK MANAGEMENT

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# Overview

Asia-Pacific Climate Change  
and DRM Challenge

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ADB Strategy 2030

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Approach to Climate Finance Mobilization

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Private Sector Mobilization

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Leveraging Knowledge and Partnerships

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# Climate Change and Disaster Risk Management Challenges



Asia and the Pacific is key

2015 CO<sub>2</sub>  
emissions:



**40%** Asia and the Pacific

**60%** Rest of the world

**89%**



People's Republic of  
China, India, and  
Indonesia's share of  
Asia and the Pacific's  
greenhouse gas  
emissions by 2030



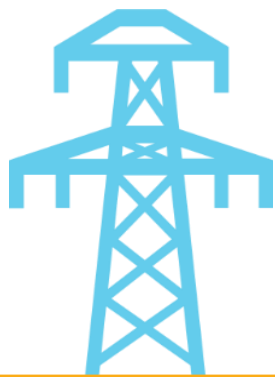


# Climate Change and Disaster Risk Management Challenges



## Asia and the Pacific is key

Developing Asia's share of world electricity demand will grow to\* **43% in 2030**

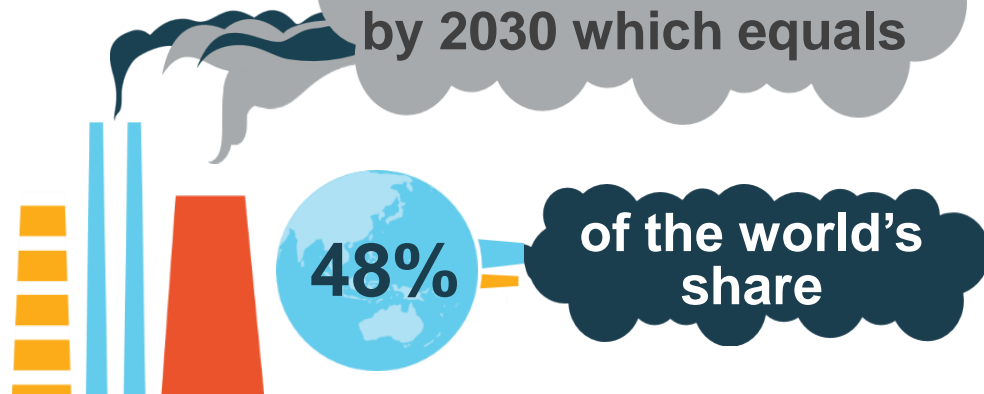


The PRC and India  
**64%** will make up  
of Asia's power  
consumption

*\*projection under New Policies scenario*

Without radical changes, Asia  
and the Pacific will emit

32.5 billion tons of CO<sub>2</sub>  
by 2030 which equals





# Climate Change and Disaster Risk Management Challenges

## Impacts will be costly

**6 of the 10** nations most affected by extreme weather events are in Asia and the Pacific



**18 million** Bangladeshis will be displaced by a **1-meter rise** in sea level by 2050



**> 60%** of the region's population work in sectors most at-risk from climate change impacts

Climate change will hike food prices, thus

**64 million** Asians will be pushed into poverty for every 10% rise in food prices



**410 million** estimated number of Asian urban dwellers at risk of coastal flooding by 2025

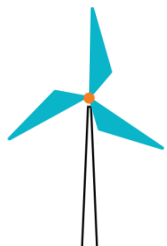
In inland areas, the number of people at risk will rise to **341 million** by 2025



For the past 20 years Asia and the Pacific has experienced over **320 earthquakes > 4.0 on the Richter scale** affecting over 103 million people, causing total damages of over \$136 billion, and the deaths of over **445 thousand people**



In the Pacific, sea level rises **4X faster** than the global average. By 2100, sea level rise may reach **more than 1 meter**



## ADB Strategy 2030:

# Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific

### Seven Operational Priorities

Addressing Remaining Poverty and Reducing Inequalities

Accelerating Progress in Gender Equality

Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

Making Cities More Livable

Promoting Rural Development and Food Security

Strengthening Governance and Institutional Capacity

Fostering Regional Cooperation and Integration

 **Target** 75% of ADB's commitments will be made climate relevant

 **Target** Climate finance from ADB's own resources reach \$80 billion (2019-2030)



# ADB Approach to Climate Finance Mobilization

## Deploying concessional resources

### **Internally managed resources (ADB donor trust funds and special funds)**

- Climate Change Fund (CCF)
- Clean Energy Financing Partnership Facility (CEFPF)
- Urban Climate Change Resilience Trust Fund (UCCRTF)
- Asia-Pacific Climate Finance Fund (ACliFF)
- High Level Technology Fund (HLTF)
- Others with bilaterals

### **Multilateral funds**

- Climate Investment Funds (CIF)
- Global Environment Facility (GEF)
- Green Climate Fund (GCF)

## Maximizing market mechanisms

- **Upfront carbon finance**
  - Asia Pacific Carbon Fund
  - Future Carbon Fund
- **Carbon Market Technical Support Facility**
  - CDM support
  - domestic emissions trading
- **Japan Fund for the Joint Crediting Mechanism**
- **Green and Climate Bonds**
- **Supporting other market mechanisms** (e.g. renewable energy credits; feed-in tariffs)

## Catalyzing private capital

- **Direct project finance** (lending, guarantees, syndications), and equity investment
- **Public private partnerships:** (PPPs) working with client DMCs across stages of PPPs



# Canadian Climate Fund for the Private Sector in Asia (CFPS) II

- established in April 2017 with a ~**\$151 million contribution**
- designed to support greater private sector participation in climate change mitigation and adaptation in low and lower middle income countries and upper middle-income small island developing states in Asia and the Pacific.
- will seek to **promote gender equality and the empowerment of women** and girls in projects supported by the fund.
- will aim to play a key role in helping the private sector **overcome development risks** (including market risks, technology risks, financing risks, regulatory and other risks) by offering financing on **concessional terms** and conditions to projects that would not proceed solely on a commercial basis.





# ADB and the Green Climate Fund

Established in **2010** to channel climate finance, with pledges of **\$10.3 billion** from **43** state governments

**Green Climate Fund** has so far committed **\$5.0 billion** to



ADB Project	Total Project Cost (in \$ million)	Type and Approval Date	Total GCF Funding (in \$ million)
Fiji Urban Water Supply and Wastewater Management Project	100 (Tranche 1)	Adaptation Nov-15	31 (grant)
Pacific Islands Renewable Energy Investment Program	sum of subprojects	Mitigation Nov-16	5 (grant)
Cook Islands Renewable Energy Subproject	14		12 (grant)
Nauru: Sustainable and Climate-Resilient Connectivity Project (formerly Port Development Project)	65	Mitigation and adaptation Oct-17	27 (grant)
Tajikistan: Institutional Development of the State Agency for Hydrometeorology	11	Adaptation Feb-18	5 (grant)
Cambodia: Climate-Friendly Agribusiness Value Chains Sector Project	140	Mitigation and adaptation Feb-18	10 (loan) 30 (grant)



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ADB Project	Total Project Cost (in \$ million)	Type and Approval Date	Total GCF Funding (in \$ million)
Mongolia: Ulaanbaatar Green Affordable Housing and Resilient Urban Renewal Project (AHURP)	544	Mitigation and adaptation Feb-18	95 (loan) 50 (grant)
Kiribati South Tarawa Water Supply Project	58	Oct-18	29 (grant)
Tonga Renewable Energy Project (TREP) under the Pacific Islands Renewable Energy Investment Program	53	Oct-18	30 (grant)
Pakistan Green Bus Rapid Transit	585	Oct-18	29 (loan) 21 (grant)
Approved Total			373



# Asia-Pacific Climate Finance Fund (ACliFF)

ADB

- A multi-donor trust fund approved on 28 April 2017 with up to US\$30 million contribution from Germany. The maximum amount of aggregate contributions is envisaged to not exceed \$200 million.
- ADB has initial contribution of US\$1 million towards an accompanying Technical Assistance to support the operationalization of ACliFF.
- ACliFF will support the assessment, development and provision of **financial risk management products** that can help unlock financing for climate investments in clean technologies and practices, which are necessary for climate change mitigation and adaptation; and improve resilience of the poor and vulnerable to the impacts of climate change.



ASIA-PACIFIC  
CLIMATE FINANCE  
FUND



# Disaster Risk Management Funding

**Asian Development Fund Disaster Risk Reduction mechanism provides up to \$200 million in grant funding and supplementary concessional lending to ADB's concessional assistance only countries over the period 2017-2020**

- The earmarked funding is intended to strengthen disaster resilience and help spur further investment in this area

**ADF Disaster Response Facility (DRF) provides concessional assistance only countries additional allocations for post-disaster response**

- The DRF provides up to an additional 100% of annual performance-based allocation to respond to disasters caused by natural hazards, providing a more flexible, predictable, and systematic source of financing for this purpose

**Asia Pacific Disaster Response Fund (APDRF) provides for life-saving purposes in the immediate aftermath of major disasters triggered by natural hazards**

- Grants of up to \$3 million are available to any DMC.



# Article 6 Support Facility

<https://www.adb.org/projects/50404-001/main>

A \$4 million initiative, funded by ADB, the Government of Germany, and the Swedish Energy Agency, to help developing member countries in Asia and the Pacific combat climate change through a key provision of the Paris Agreement. This facility which is part of the existing Carbon Market Program will provide technical, capacity building, and policy development support to help the DMCs meet Article 6 of the Paris Agreement.

The Facility will enhance DMCs' ability to contribute to international negotiations and enhance their preparedness to operationalize Article 6 of the Paris Agreement through three main outputs:

- **Enhance DMC's capacity to identify and assess mitigation actions under Article 6**
- **Enhance DMCs' capacity to Pilot mitigation actions under Article 6**
- **Strengthen DMC's capacity, systems and infrastructure to undertake robust accounting and reporting mitigation outcomes**





# “NDC Advance” – a new ADB platform to support DMC NDCs



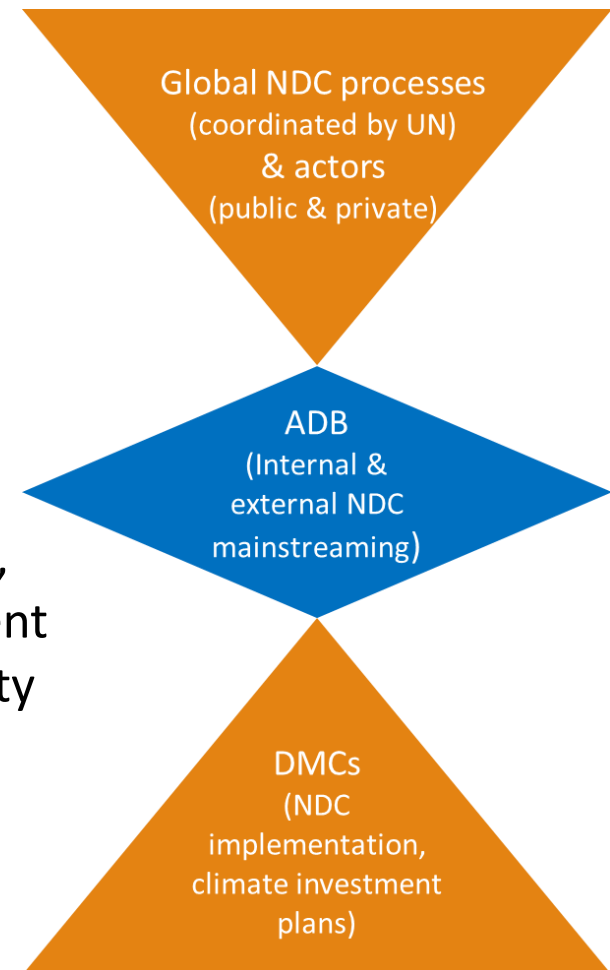
## Vision

- To serve as ADB’s principal mechanism for external NDC support, while contributing to internal NDC mainstreaming.

## Objectives

- Support DMCs in the implementation of their NDCs, including through development of climate investment plans and identification and direct support to priority projects.
- Support mainstreaming of NDCs into ADB country programming, plans, strategies, projects, and knowledge work.

### *ADB as an important NDC interface*





# Knowledge and Partnerships

ADB

## Recent Knowledge Products

1. A Region at Risk: The Human Dimension of Climate Change in Asia and the Pacific
2. Future Carbon Fund: Delivering Co-Benefits for Sustainable Development
3. Practical Guides on DRM
4. Report on Climate Finance
5. Decoding Article 6 of the Paris Agreement
6. Understanding Disaster Risk for Advancing Resilient Development
7. Scaling Up Resilience-Building Measures through Community-Driven Development Projects
8. Philippine City Disaster Insurance Pool
9. The Korea Emissions Trading Scheme
10. Article 6 of the Paris Agreement





# Knowledge and Partnerships

ADB

## Partnerships

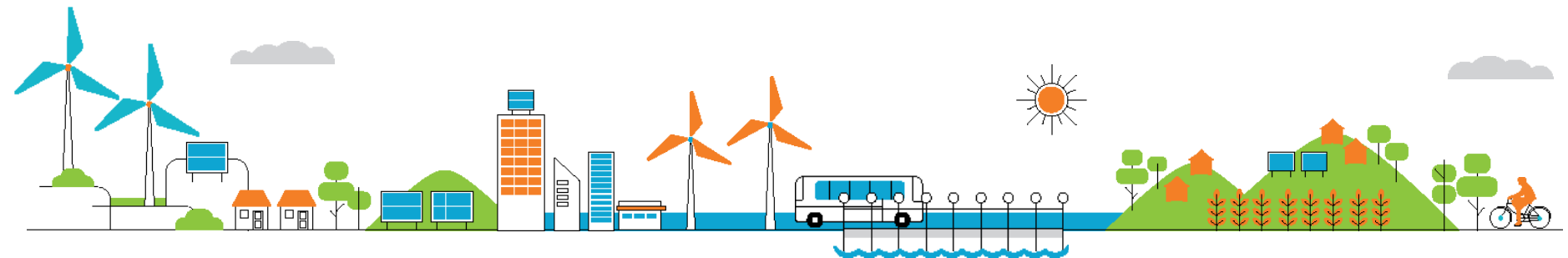
1. Climate finance tracking and reporting, GHG accounting, transport (with MDBs, others)
2. Asia Pacific Adaptation Network (with UNEP, IGES, others)
3. Asia Clean Energy Forum, Urban Forum, Transport Forum (with several partners)
4. The Global Commission on the Economy and Climate
5. Centers of excellence (COEs) actively providing ideas (knowledge solutions) to solve problems
6. The NDC Partnership
7. InsuResilience Global Partnership



# For further information

<https://www.adb.org/themes/climate-change-disaster-risk-management/main>

<https://www.adb.org/climate-change-financing>





# Thank you and we look forward to doing business with you!

For bilateral meetings, please coordinate with:  
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