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Workshop on Scaling up ADB's support for Air Quality Management

Air Quality Improvement Program under MDBs

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European Bank
for Reconstruction and Development



- **What is EBRD and Green Economy Transition (GET) at EBRD**
- **EBRD – ESD – key issues**
- **Key challenges in Kazakhstan**
- **Discussion**

An international financial institution supporting the development of sustainable well-functioning market economies

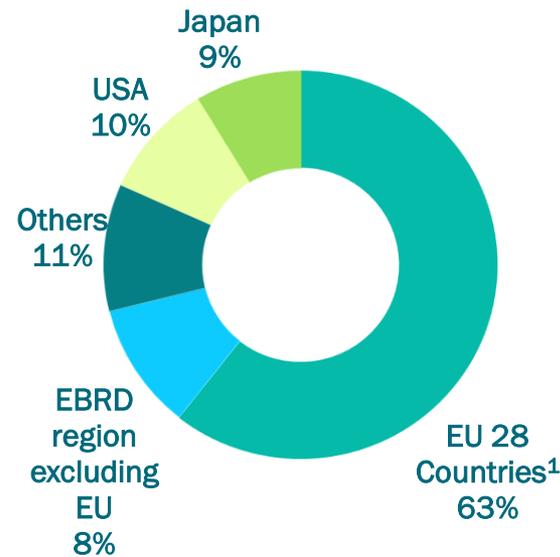
Triple-A rating
(from all three main rating agencies (S&P, Moody's and Fitch))

Owned by 69 countries and 2 inter-governmental institutions
(the EU and EIB)

€30 billion Capital base

- 1991** Established
- 1992** Russia and 11 other members of the former Soviet Union join
- 2007** The Czech Republic becomes the first country to “graduate” from the EBRD
- 2012** Starts investing in Egypt, Jordan, Morocco and Tunisia
- 2016** 25th anniversary; China becomes 67th member
- 2017** Starts operating in Lebanon and in West Bank and Gaza
- 2018** India and San Marino become members
- 2019** Libya becomes a member

Shareholding structure



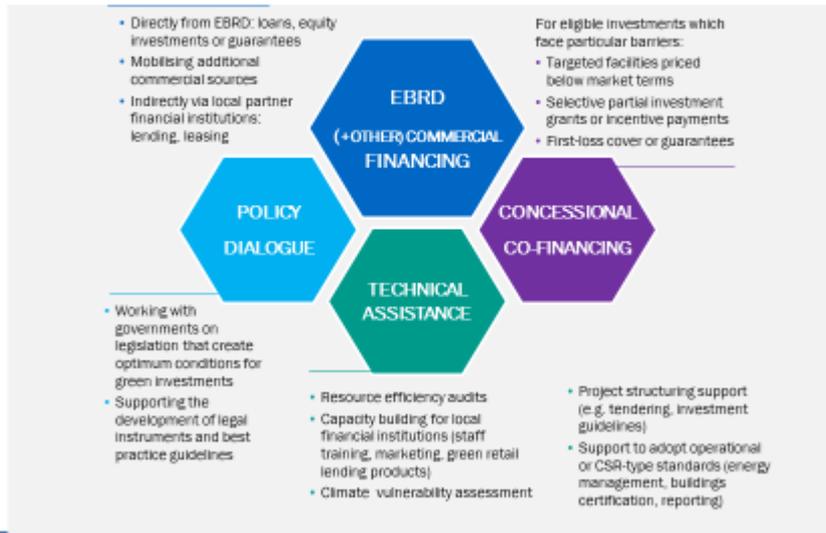
1. Includes European Community and European Investment Bank (EIB) each at 3%. Among other EU countries: France, Germany, Italy, and the UK each holds 8.6%

EBRD and Green Finance



European Bank
for Reconstruction and Development

Mainstreaming green financing: EBRD business model



EBRD Green Economic Transition (GET)



EBRD GET approach aims to increase the financing of projects that advance the transition to an environmentally sustainable and low-carbon economy

GET-qualifying principles and criteria

Principle	Criteria
Granularity	Only clearly defined environmental project activities or components that can be disaggregated from non-environmental activities, as far as reasonably possible, qualify for GET.
Environmental benefits	Measurable net total environmental benefits against a baseline
Minimum environmental performance and standards	Application of sector-specific best available techniques in EU environmental performance and social standards
Multiple environmental benefits	No double counting of financing across multiple environmental benefits

Annual GET investment with % over Total Investments



- To help cities achieve these goals, **EBRD Green Cities** employs a unique and systematic approach consisting of three central components:
 - 1. Green City Action Plan (GCAP):** Assessing and prioritising environmental challenges based on specific indicators and developing an action plan to tackle the challenges through policy intervention and sustainable infrastructure investments.
 - 2. Green infrastructure investment:** Facilitating and stimulating public or private green investments in water and wastewater, urban transport, district energy, energy efficiency in buildings, renewable energy, solid waste and climate resilience.
 - 3. Capacity building:** Providing technical support to city administrators to ensure that infrastructure investments are implemented effectively.

- Air Quality in Kazakhstan
 - Legacy issues from old industry, CHP/DH systems
 - Kazakhstan is heavily dependence on coal – notably highly abrasive coal which is hard to abate – gas only now becoming available in some regions
 - Transport related issues
- Key CHPs have limited air abatement -
 - emission of NOx and dust above international norms
- Air quality in Almaty is impacted by low level emissions as well as traffic
- National standards are based on old Soviet ‘GOST’ standards and have not been updated
 - TC funded by EBRD in 2015 to introduced LCP/IED standards – to date not implemented
 - Plans for 2021 to implement new standards
- **Kazakhstan’s Green Economy - plans for 2050**

- IFI's as well as many financial institutions will focus on the Green agenda, and this will be a priority focus for many Stakeholders
 - EBRD will aim to do over 50% Green Projects in the future and many post CV-19 funds will be linked to ESG issues
 - TCFD/TNFD will be important to consider
 - Use of Green Bonds will increase substantially
 - Appropriate ESG disclosure will be part of risk assessment and investment decision making –
 - How to support Kazakh Green Economy
 - Regulatory reform support and align with international best practice.