

SESSION 3:

Climate Change Adaptation and Mitigation



Mr. Nathan Rive

Senior Climate Change Specialist
Climate Change, Resilience, and Environment Cluster
Asian Development Bank





Climate Change Mitigation and Adaptation

Nathan Rive, Senior Climate Change Specialist, ADB

ASIA'S CLIMATE BANK: PROGRESSIVE AMBITION TO SUPPORT CLIMATE ADAPTATION AND MITIGATION

2015

- \$6 billion of own funds for climate change per annum by 2020 [achieved in 2019]

2018

- \$80 billion own funds cumulatively between 2019-2030
- 75% of all projects include climate by 2030

2021

- Full Paris Alignment of sovereign projects by 2023
- Cumulative \$9 billion adaptation between 2019-2024
- \$100 billion ambition cumulatively between 2019-2030



CLIMATE CHANGE ADAPTATION

“TYPE 1” PROJECT: ENSURING RESILIENCE OF PROJECT ASSETS

- Climate-proofing a development project
- Examples:
 - Increase size of culverts and drainage
 - Heat-resistant materials
 - Increase freeboard
- Range of climate finance: 3-20%

“TYPE 2” PROJECT: SUPPORTING RESILIENCE OF WIDER SECTOR AND COMMUNITIES

- Predicated largely on addressing climate needs
- Up to 100% of climate finance
- Examples:
 - Early warning systems, disaster risk financing
 - Advanced crop methods and technologies
 - Addressing new risks: health, education, urban heat islands, gender impacts



KEY PRINCIPLES FOR “TYPE 2” ADAPTATION PROJECTS

1. Informed by national adaptation priorities and Nationally Determined Contribution
2. Robust climate risk assessment to inform scoping and design
3. Transformational adaptation outputs – not just climate proofing
4. Adopt metrics to track outcome and impact of adaptation
5. Estimate climate adaptation finance based on joint MDB methodology



CLIMATE CHANGE MITIGATION

SUPPORTING NATIONALLY DETERMINED CONTRIBUTIONS

- Efficient and effective reductions of greenhouse gas emissions (GHGs)
- Newer or advanced technologies
- Establish robust monitoring and measurement of project emissions (Scope 1-3)
- Private sector engagement
- Revenue opportunities from the carbon market

EXAMPLES

- **Uzbekistan** Sherabad Solar Power Project (non-sovereign)
- **Pakistan** Karachi Bus Rail Transit Project
- **Philippines** South Commuter Railway Project
- **Maldives** Greater Male Waste-to-Energy Project
- **Mongolia** Improving Access to Health Services for Disadvantaged Groups Investment Program



ALIGNING INVESTMENTS WITH THE PARIS AGREEMENT

PARIS AGREEMENT (ARTICLE 2)

Mitigation: Holding global warming to 1.5 to 2°C above pre industrial levels

Adaptation: Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development

ALL PROJECTS MUST CONFIRM ALIGNMENT BEFORE APPROVAL

- Is the operation/economic activity inconsistent with NDC/strategy?
- Is it inconsistent with global sector-specific pathway?
- Does the activity prevent future opportunities?
- Is it economically unviable in a future low-carbon economy?



SUPPORTING CLIMATE WITH CONCESSIONAL FINANCE

ADB FUNDS

- Expanded headroom for \$100 billion climate finance ambition to 2030 of own funds
- 30+ trust funds and sector funds to support technical assistance and grant components
 - Climate Change Fund
 - Asia Pacific Climate Finance Fund
 - Japan Fund for the Joint Crediting Mechanism
 - Water Resilience Trust Fund
- Asian Development Fund Adaptation and Disaster Risk Reduction Thematic Pool

GREEN CLIMATE FUND

- ADB has secured \$396 million in grants and \$671 in loans from GCF in 13 projects and programs
- Loan and grant available plus project preparation and readiness funds
- High transaction cost – recommended to go for larger scale and regional programs
- Central and West Asia
 - Tajikistan: *Water Resources Management in Pyanj River Basin Project (Additional Financing)*
 - Pakistan: *Karachi Bus Rapid Transit Project*
 - Regional: *Community Resilience Partnership Program (CRPP)* including Pakistan
- Proposed *E-Mobility Program* including Armenia, Georgia, Kazakhstan, Kyrgyz Republic, Uzbekistan

