The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.

# Knowledge Sharing Workshop Strengthening the Environment Dimensions of the SDGs in Asia and the Pacific

21-22 February 2018 Bangkok, Thailand







COLLABORATION WITH









## Landscape Management and Regional Collaboration in the GMS



Sumit Pokhrel, Deputy Technical Program Head GMS Environment Operations Center

## GMS Economic Cooperation Program



- Ha Noi Action Plan (HAP) 2018–2022 and Regional Investment Framework 2022 (RIF 2022) has identified a pipeline of GMS projects valued at \$64 billion
  - Environmental risk to and from investment projects needs urgent actions to ensure sustainability

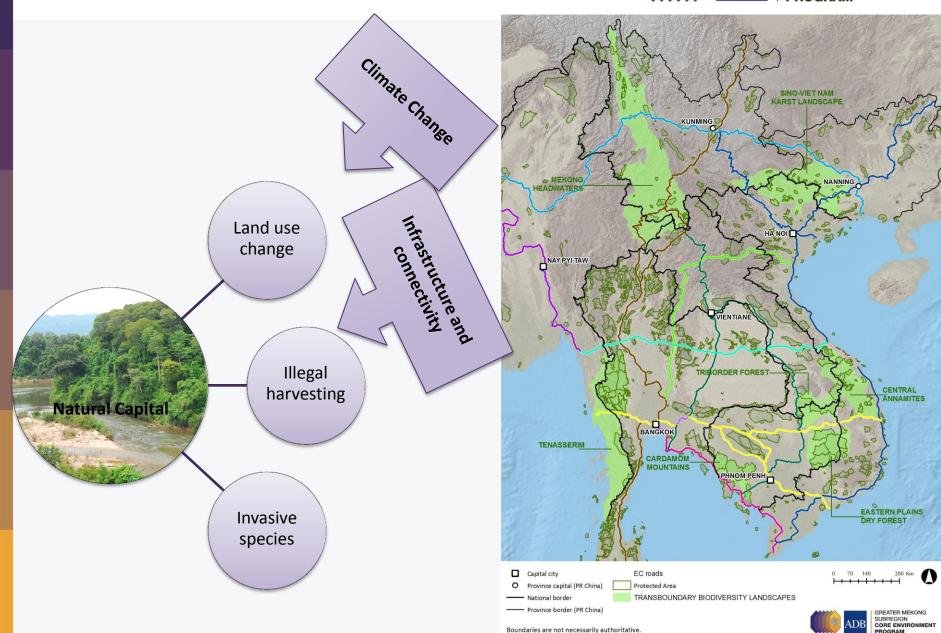


...Window for making the right infrastructure choices is narrow. Once infrastructure investment decisions are made, capital and technology is "locked-in" for many decades

#### Natural Capital at Risk in the GMS



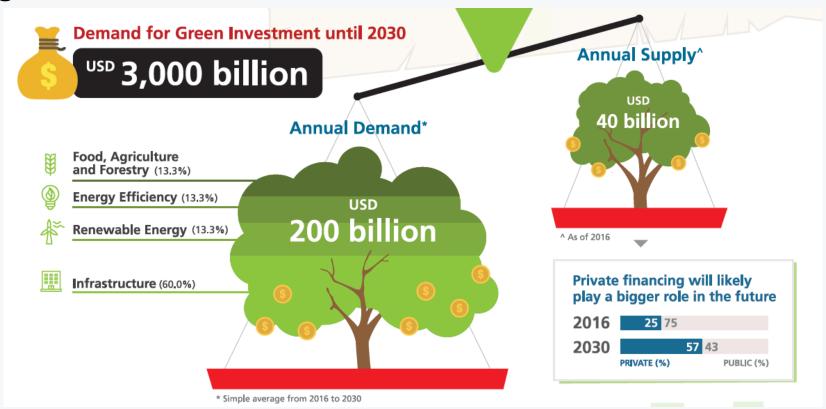
GREATER MEKONG SUBREGION CORE ENVIRONMENT PROGRAM



#### Green Investment Demand



Figure: Demand for Green Investment until 2030 in ASEAN

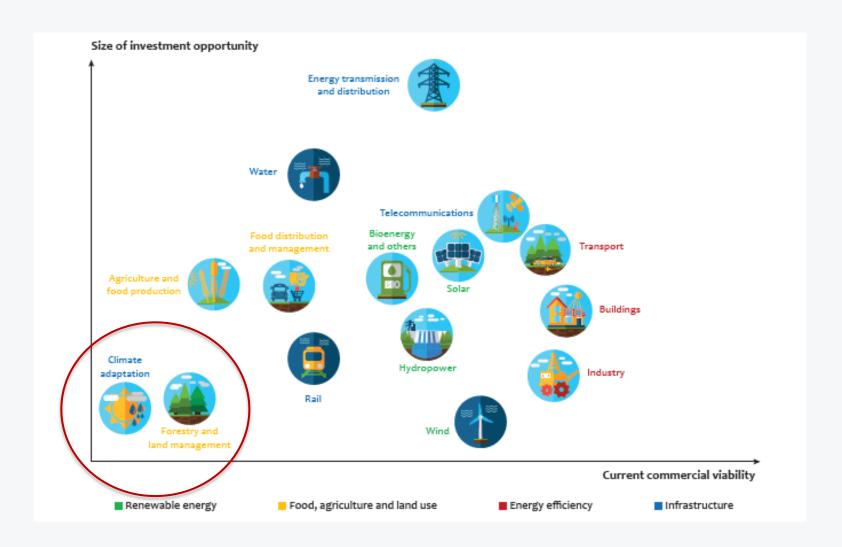


Role of private sector is crucial...

Source: Green Finance Opportunities in Asian, DBS and UN Environment 2017

## Investment Challenge in | Goods

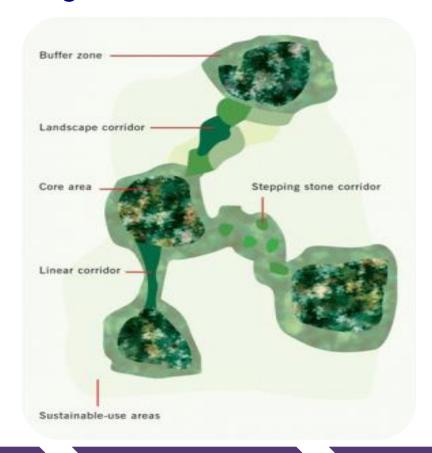




Source: Green Finance Opportunities in Asian, DBS and UN Environment 2017

## GMS CEP is catalyzing changes in conservation paradigm...





Protected Area Biodiversity Corridor Landscape Management

#### ...by facilitating investment





...To date CEP has leveraged over US\$ 120 million investment in NRM and climate change...

...Total value of ecosystem services assessed in biodiversity conservation corridor areas amounts to US\$ 9.3 billion...

...Huge potential for value chain development and employment generation....

### Landscape Management: GMS CEP's Approach



#### **Guiding principles**

- ✓ <u>Secure</u> natural capital stocks
- ✓ Optimize <u>allocation</u> of scarce resources and manage <u>competition</u>
- ✓ Enhance <u>efficiency and</u>
  <u>resilience</u> of supply chain that is dependent on or affects scarce resources
- ✓ Improve <u>inclusiveness</u> and equitable benefit sharing
- ✓ Promote integrated management of resources <u>across</u>
   international borders

#### Operationalizing landscape approach:

- Shift from project based approach to more upstream strategic planning (spatial prioritization and optimization of program/ project portfolio) and adaptive management
- Cross-sector/ multisector approach (SEA is an effective tool)
- Promote investment incubation, market based mechanisms and private sector engagement
- Build system's capacity (Policy and knowledge support)

#### **Promoting Investment**



- Move from grant / public financing
  - Performance based conditional financing
  - Private sector engagement and market mechanism
- CEP is supporting PES readiness capacity building

#### Required enabling conditions:

- Market demand induced by policy interventions,
- Clear management objectives to avoid malpractices,
- Equal emphasis on avoiding and minimizing degradation (vis-à-vis compensation),
- Bundling of ecosystem services,
- Clear land tenure /ownership,
- Equitable benefit distribution,
- Transparent and clear performance standards, pricing structure and monitoring, reporting and verification systems



