



Resilience Learning Week Special Event: Bridging the Climate Finance Gap at Local Level

November 2020



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.

Resilience Learning Week Special Events



ADB staff are invited to join a series of online events that will share regional and global voices, ideas, and learning on tackling climate change and building climate and disaster resilience. The series will run in parallel to SDCD's 2020 virtual training offering: 'Resilience Learning Week'

VIRTUAL BROWN BAG EVENTS

Virtual Workshop: ADB and the Green Climate Fund

Thursday 19 November 1400 – 1530 PHT

ADB projects co-financed by the Green Climate Fund (GCF) introduce climate-smart innovations with transformational impact. This virtual workshop will provide an opportunity for staff to learn about strengthening the climate rationale for potential projects and GCF funding approval processes.

Speakers: Demetrio Innocenti, Green Climate Fund; Noelle O'Brien, ADB

Moderator: Christian Ellermann, ADB

Interactive panel: Bridging the Climate Finance Gap at Local Level

Monday 23 November 1500 – 1600 PHT

The session will discuss the Local Climate Adaptive Living (LoCAL) Facility of the UN Capital Development Fund, a mechanism to integrate climate change adaptation into local governments' planning and budgeting systems and enhance local government climate action and financing.

Speakers: Sophie De Coninck, UN Capital Development Fund; Rafael Moser, UN Capital Development Fund

Moderator: Arghya Sinha Roy, ADB

Virtual Brown Bag: Exploring the impact of the COVID-19 pandemic on global emission projections

Tuesday 24 November 1400 – 1500 PHT

This session will explore the implications of the COVID-19 pandemic and associated recovery measures on emissions out to 2030 and global emission pathways towards meeting the Paris climate goals.

Speaker: Niklas Höhne, NewClimate Institute; Kate Hughes, ADB

Moderator: Christian Ellermann, ADB

Panel and group discussion: The Search for the Perfect Indicator

Wednesday 25 November 0900 – 1000 PHT

This session will describe the new resilience rating system being developed by the World Bank to improve monitoring of progress of the adaptation and resilience agenda and to create incentives for governments, project developers, investors to identify and select higher-resilience options.

Speaker: Stephane Hallegatte, World Bank

Moderator: Preety Bhandari, ADB

Panel Discussion: Stimulating Private Sector Investment in Resilient Infrastructure

Friday 27 November 1400 – 1500 PHT

This event explores how private sector engagement can be stimulated to enhance investment in climate and disaster resilient infrastructure.

Speakers: Sanjay Grover, ADB; Elizabeth Petheo, Miyamoto International; Elisa McLennan, Arup

Moderator: Mario Unterwainig, ADB

Virtual Brown Bag: Paris Alignment of MDB operations

Tuesday 1 December 1400 – 1500 PHT

Two years ago, MDBs announced plans for a joint framework for aligning their activities with the goals of the Paris Agreement. This session will introduce key concepts and provide details of the work undertaken by the MDBs jointly, as well as ADB internally.

Speakers: Sujata Gupta, ADB; Gianpiero Nacci, Deputy Director of Energy Efficiency and Climate Change EBRD; Christian Ellermann, ADB

Moderator: Preety Bhandari, ADB

Panel and Group Discussion: A Just Transition to a Low-Carbon and Climate-Resilient Asia and the Pacific

Tuesday 2 December 1500 – 1600 PHT

Transition to a low-carbon and climate-resilient future will require radical restructuring. This session will explore Just Transition planning and implementation; opportunities for ADB; and share joint MDB efforts on development of a common framework for Just Transition interventions.

Speakers: Mike Ward, Climate Investment Funds; Russell Bishop, EBRD; Hinako Maruyama, ADB; Sanath Ranawa, ADB

Moderator: Kate Hughes, ADB

Why is it Important to Bridge Climate Finance Gap at Local Level?

Poverty Cannot be Reduced without Tackling Climate and Disaster Risk

- Climate change could push more than **100 million** people in developing countries below poverty line by 2030
- Disproportionate impact on **poor and vulnerable** – asset, livelihoods, and well-being losses
- Women and men are impacted differently, with **women having lower coping capacity**



Mismatch of Adaptation Needs and Finance

- Global annual cost of adaptation will range from **\$140 ~ \$300** billion by 2030 and **\$280 ~ \$500** billion by 2050
- In 2017/2018, adaptation finance was **~5%** of total climate finance flows
- Less than **\$1 in every \$10** of climate finance committed from climate funds supports local climate action



Not just about Quantity but equally about Quality of Finance

- Resilience is context specific. Finance needs to **respond to local** context and priorities
- Finance need to address underlying drivers of vulnerabilities by **empowering the vulnerable**
- Need for **predictable and reliable** climate finance delivered through sustainable delivery mechanism



Channels that Enable Climate Finance to Reach the Hands of the Poor

- National government's poverty reduction programs (e.g. Resilient Community-driven Development)
- Risk informed fiscal transfer mechanisms
- City climate funds
- Risk-informed microfinance
- Frontier funds by community-based organization



Image Source: ADB

Poll 1: Have you used any of the following to deliver ADB's climate finance

- Social Protection Programs
- Community-driven Development Programs
- Decentralization Programs
- Local climate funds
- Risk-informed microfinance
- None

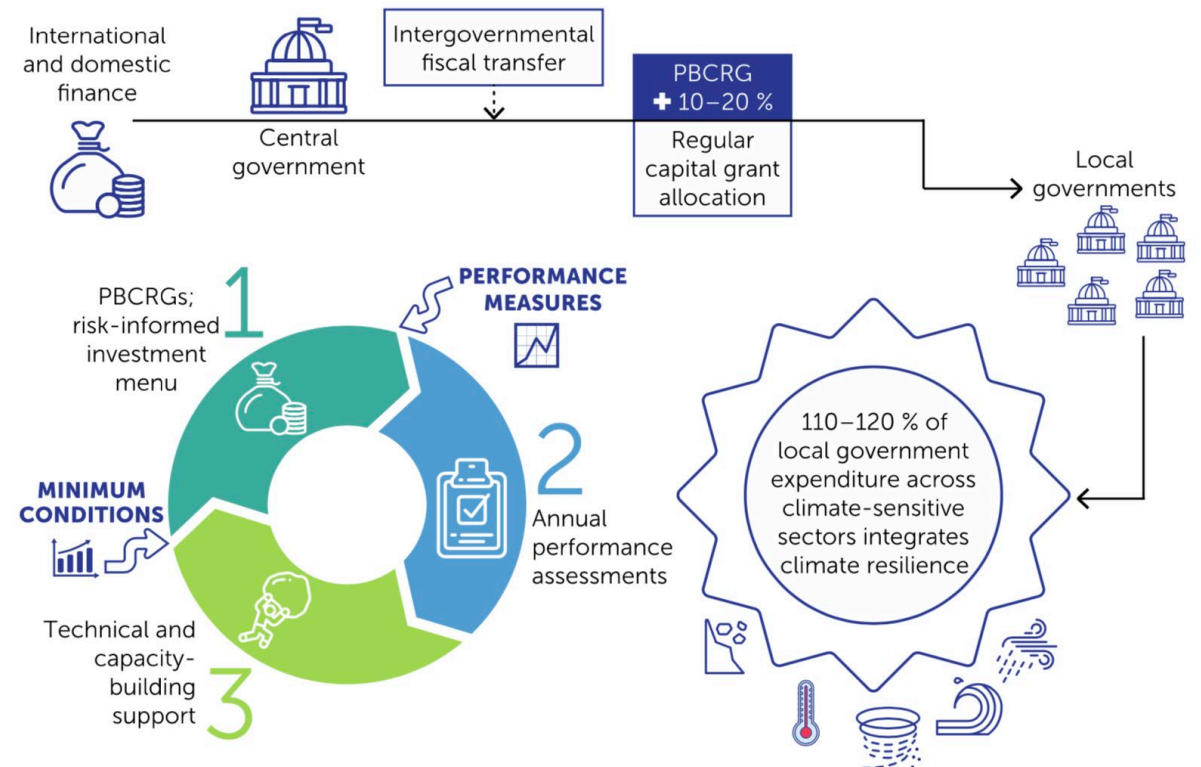
Increasing Recognition at Global Level on Devolved Climate Finance

- Global Commission on Adaptation's Priorities on Locally-led Action
 - Significant increase in volume and quality of devolved and decentralized climate finance,
- Commitment of LDC initiative for Effective Adaptation and Resilience
 - 70% of climate finance flows to local level by 2030



Example: Local Climate Adaptive Living Facility

- A mechanism piloted by UN Capital Development Fund for financing adaptation at local level by introducing **performance-based climate resilience grant** that guarantee programming and verification of local adaptation expenditures



Poll 2: Which Operational Priorities of S030 provide More Opportunities for Climate Finance to Reach Local Level

1. OP1: Addressing Remaining Poverty and Reducing Inequalities
2. OP2: Accelerating Progress in Gender Equality
3. OP4: Making Cities more Livable
4. OP5: Promoting Rural Development and Food Security
5. OP6: Strengthening Governance and Institutional Capacity
6. OP7: Fostering Regional Cooperation and Integration

Example: Resilient Communities Development Project, Myanmar

Example: Urban Climate Change Resilience Trust Fund

Group Work: Brainstorming on How to Increase ADB Climate Finance that Goes to Local Level

Moving Forward: Community Resilience Partnership Program (2021-2030)

