

BUSINESS OPPORTUNITIES FOR ADDRESSING CLIMATE CHANGE

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Background

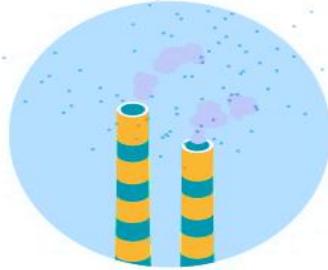
- Climate Change Targets of PRC and MON
 - PRC's CPS and MON's CPS
 - Some ongoing projects in PRC
-

PRC's Climate Change Targets

Paris Agreement



Peak CO₂ emissions before 2030



Carbon Intensity: Reduce 60% to 65% below 2005 by 2030



Non-fossil share: 25% wind + solar installed capacity 1200 GW by 2030



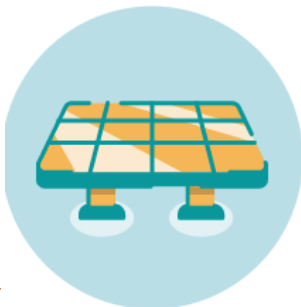
Forest Stock: +6 bn m³ by 2030 compared to 2005

Additional in 2020

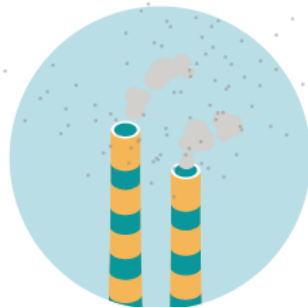


Carbon Neutral by 2060

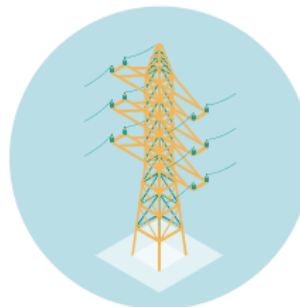
14th FYP



Non-fossil fuel share in the energy mix of 25% by 2025



Reduction of per unit GDP carbon intensity by 18% at 2020 levels



Reduction of per unit GDP Energy Intensity by 13.5%



Percentage of Days with Good Air Quality in Cities: 87.5%



Increase Forest Coverage to 24.1%

MON's Climate Change Targets under Paris Agreement

Mitigation target of Mongolia's NDC:

- 22.7% reduction in total GHG emissions by 2030 BAU (business as usual) scenario;
- 27.2% reduction in GHG emissions by 2030 BAU scenario if supported CCUS investments provided;
- 44.9% of GHG emission reduction by 2030 BAU scenario additional actions and measures to remove GHG emissions by forest provided

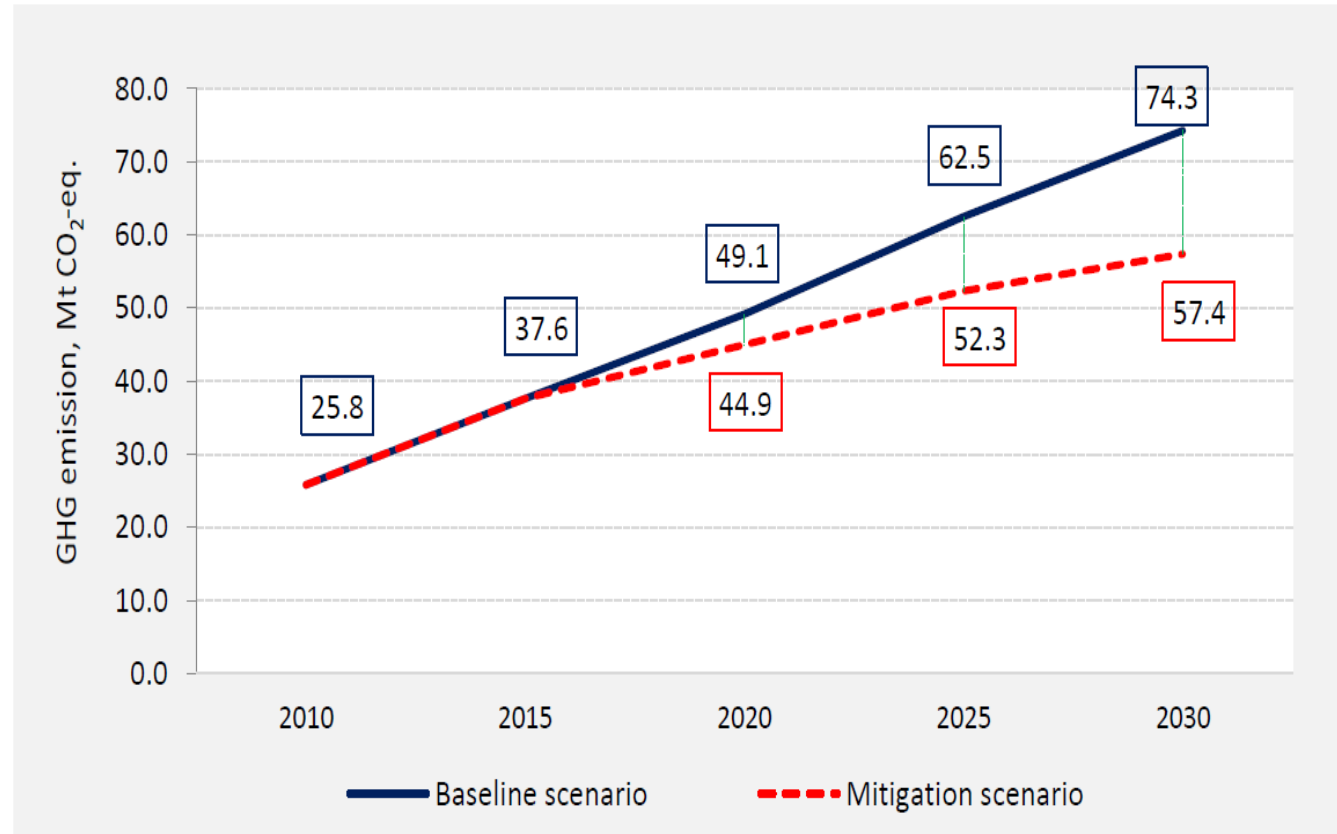


Figure 1. Comparison of BAU baseline GHG emission and mitigation scenarios (Mt CO₂-eq.)

Country Partnership Strategy, 2021-2025, PRC

Strategic Priority 2:

Climate Change Adaptation and Mitigation

- I. Strengthening Climate Resilience
- II. Promoting Low Carbon Development
- III. Finding New Approaches to Climate Change and Disaster Risk Financing
- IV. Promoting Private sector solutions for adaptation and mitigation



Country Partnership Strategy, 2021-2024, MON



Support COVID-19 Recovery and Lay Resilient Foundations for Inclusive and Sustainable Growth

Strategic Priority 1: Foster Inclusive Social Development and Economic Opportunity	Strategic Priority 2: Climate Resilient Infrastructure to Drive Competitiveness and Diversification	Strategic Priority 3: Resilience for Sustainable, Green and Climate Conscious Development
<p>Sovereign Operations: Health, social protection, and skills Job creation, financial sector, business environment, MSMEs, and women-owned businesses</p> <p>Nonsovereign Operations: Access to finance, trade finance, and access to health and education</p> <p>Knowledge and technical support: Social sector planning and financing Financial sector development and green financing MSME capacity and investment climate reform</p> <p>OP1 OP2 OP5 OP6</p>	<p>Sovereign Operations: Urban development, transport, rural/urban connectivity, and trade</p> <p>Nonsovereign Operations: Urban services and transport, logistics, and ICT</p> <p>Public Private Partnerships: Enabling environment for PPP and transaction advice</p> <p>Knowledge and technical support: Infrastructure maintenance, urban planning, trade and logistics, and mining value chains</p> <p>OP4 OP5 OP7</p>	<p>Sovereign Operations: Debt sustainability, domestic resource mobilization, and expenditure efficiency. Air, water and soil pollution, green value chains, renewable energy, and disaster management</p> <p>Nonsovereign Operations: Renewable energy, and climate smart and gender sensitive agribusiness value chains</p> <p>Knowledge and technical support: FDI, public investment management, tax reform, environmental management and climate change</p> <p>OP3 OP5 OP6</p>

Priority Themes to Deliver Strategy 2030:

- ▶ Gender Equality (OP 2)
- ▶ Private Sector Participation (covers all OPs)
- ▶ Civil Society (covers all OPs)
- ▶ Digital Transformation (covers all OPs)
- ▶ Institutional Capacity and Governance (OP 6)



Strategic Priority 2: Climate Resilient Infrastructure to Drive Competitiveness and Diversification

Strategic Priority 3: Resilience for Sustainable and Green Development

- I. Macroeconomic management
- II. Sustainable value chains
- III. Renewable energy
- IV. Climate and disaster resilience, and environmental sustainability
- V. Sovereign and nonsovereign collaboration
- VI. Knowledge solutions



Some of Ongoing Projects

- On CC Mitigation
- On CC Adaptation
- Mongolian Projects

Ongoing ADB Projects (sample): **Mitigation** (1/2)

- BTH air quality improvement program (2015-2020):
 - Policy reforms, green financing & investments to reduce local air pollution and GHG emissions
- Xiangtan Low-Carbon Transformation Sector Development Program:
 - Multisectoral transformation targeting energy, transport and resilience building leading to a low carbon city by using a project loan and a Policy-based loan structure
- Chemical Industry Energy Efficiency and Emission Reduction Project
 - Demonstration of innovative technologies to improve energy efficiency and reduce emissions from SOE ChemChina plants
- Bank of Xingtai Green Finance Development Project
 - ESG taxonomy and monitoring frameworks, building institutional capacity, to establish a green finance business line catalyzing ADB funds.
- Shaanxi Accelerated Energy Efficiency & Environment Improvement Financing Program
 - Clean energy financing through financial intermediary

Ongoing ADB Projects (sample): **Adaptation and resilience (2/2)**

- Hunan Miluo River Disaster Risk Management and Comprehensive Environment Improvement Project
 - Flood control, water resource management, rural waste management, ecological farming
- Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development
 - Flood protection, river and wetlands rehabilitation, irrigation system upgrades, and wastewater treatment in four main urban sub-centers
- Guizhou Rocky Desertification Area Water Management Project
 - Reduce rocky desertification areas and improved livelihoods
- Yangtze River Green Ecological Corridor Comprehensive Agriculture Development Project
 - Modernize agriculture production systems, minimize environmental degradation and reduce nonpoint source pollution
- Henan Hebi Qihe River Environmental Improvement and Ecological Conservation Project
 - Restore degraded ecosystems and improve water resource management in the flood-prone and polluted Qihe River Basin

Upscaling Renewable Energy Sector Project

Mongolia

Ongoing project approved 2018. Remaining procurement packages:

- **10 MW Umunogovi Wind Project** Q4 2021 advertisement
\$13.7 million estimated value; ICB
- **10 MW Altai Solar PV Project** Q4 2021 to Q1 2022 advertisement
\$9.7 million estimated value; ICB
- **5 MW Telmen wind** Q1 2022 advertisement
\$6 million estimated value; ICB
- **Shallow-ground heat pumps** Q4 2021 to Q1 2022 advertisement
\$400,000 estimated value; ICB

Aimags and Soums Green Regional Development Investment Program

Mongolia

- **ADB Financing Amount**
- **Type of consultancy**

One single contract for Project management and supervision or several contracts (TBD)
- **Expected amount (\$million)**

5 if only one consultancy
- **Any other relevant information**
 - **Executing Agency**

Ministry of Water Supply
 - **Implementing Agency**

National Water Supply and Drainage Board
 - **Covid-19 constraints**

Travel restrictions
 - **Bidding information**

Newspaper, IA website, Government website (<https://promise.lk/>, under development), EA website, ADB website

A scenic mountain landscape featuring a large, gnarled pine tree in the foreground, standing on a rocky outcrop. The background shows misty, blue-toned mountains under a clear sky. The text "Thank you!" is overlaid on the right side of the image.

Thank you!