

# ADB's Climate Change Program

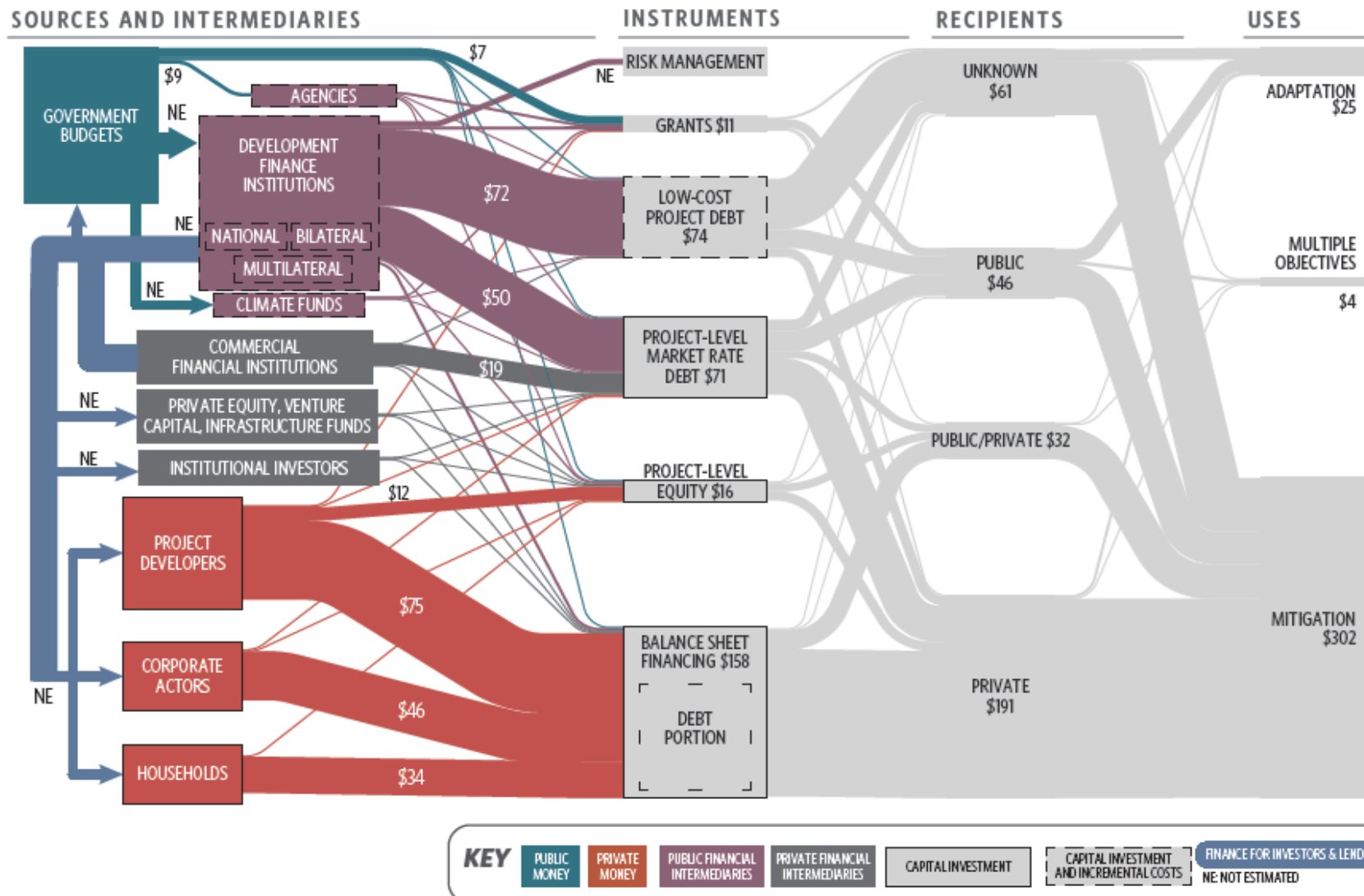
Jakarta, Indonesia  
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**Asian Development Bank**



# LANDSCAPE OF CLIMATE FINANCE 2014 USD 331 BN TOTAL

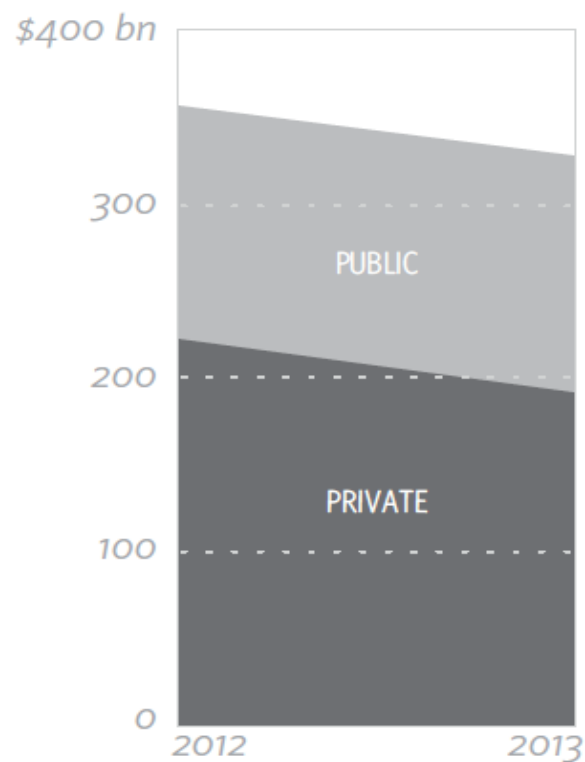
Landscape of Climate Finance 2014 illustrates climate finance flows along their life cycle for the latest year available, mostly 2013



Source: Climate Policy Initiative. The Global Landscape of Climate Finance. 2014.

# Sources of Climate Finance

## MAIN SOURCES



### Annual Global Climate Finance

2013: USD 331 billion

2012: USD 359 billion

### Public Sources in 2013

USD 134-140 billion

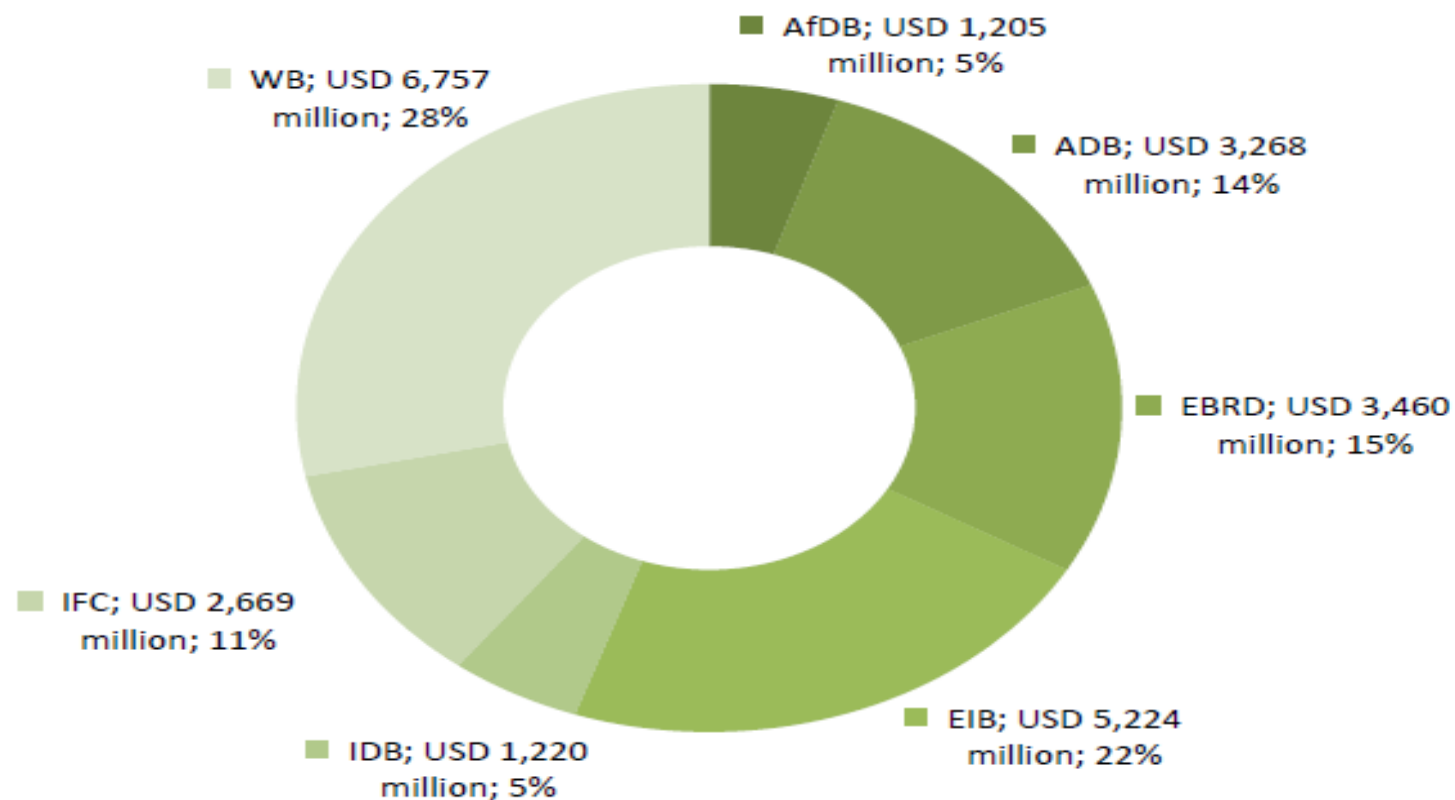
### Private Sources

2013: USD 193 billion

2012: USD 224 billion

Source: Climate Policy Initiative. *The Global Landscape of Climate Finance*. 2014.

# MDB Climate Finance (USD millions)

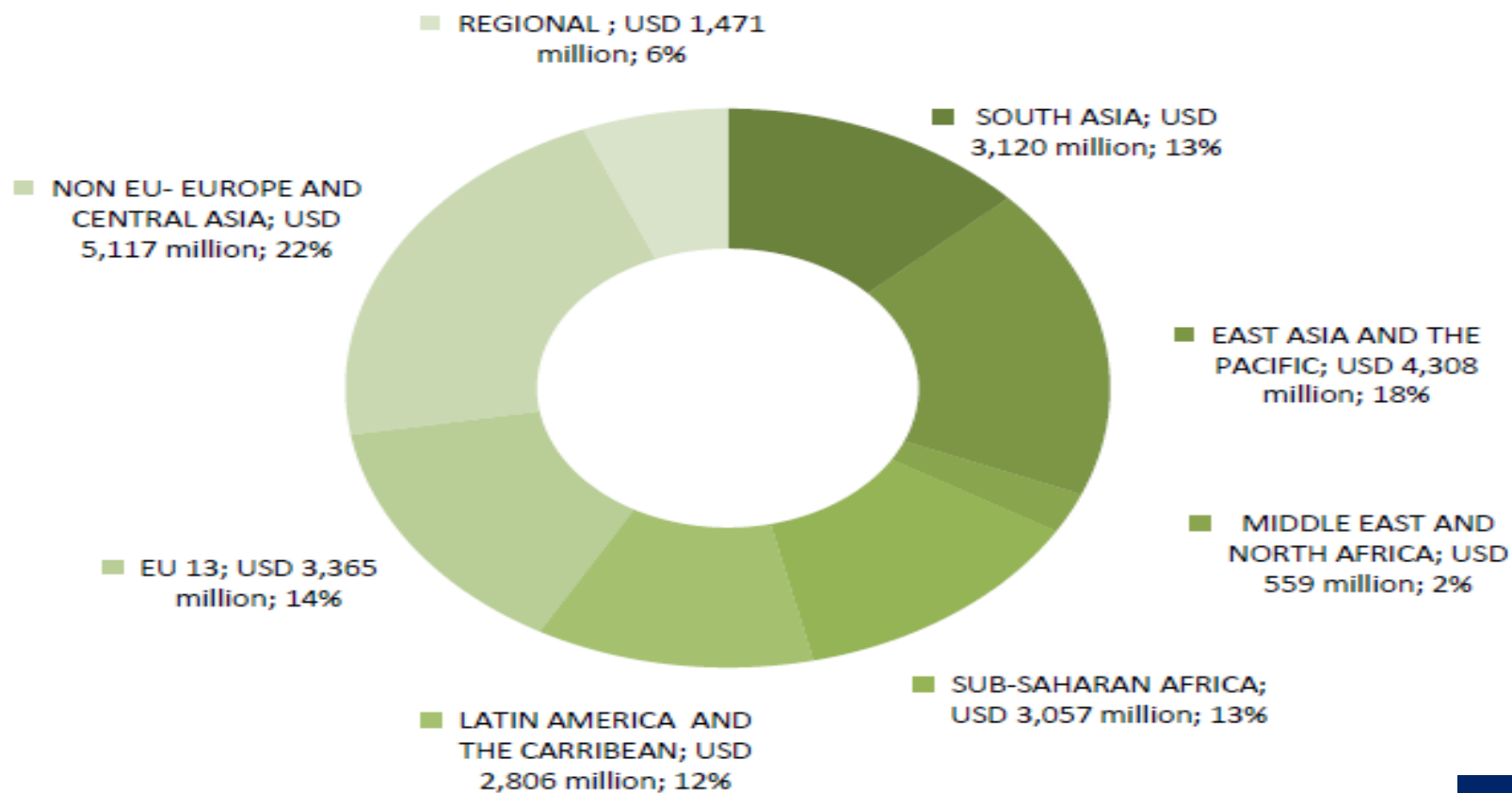


Total: USD 23,804 (in millions)

Source: Joint Report on MDB Climate Finance 2013

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# MDB Climate Finance by Region (USD millions)

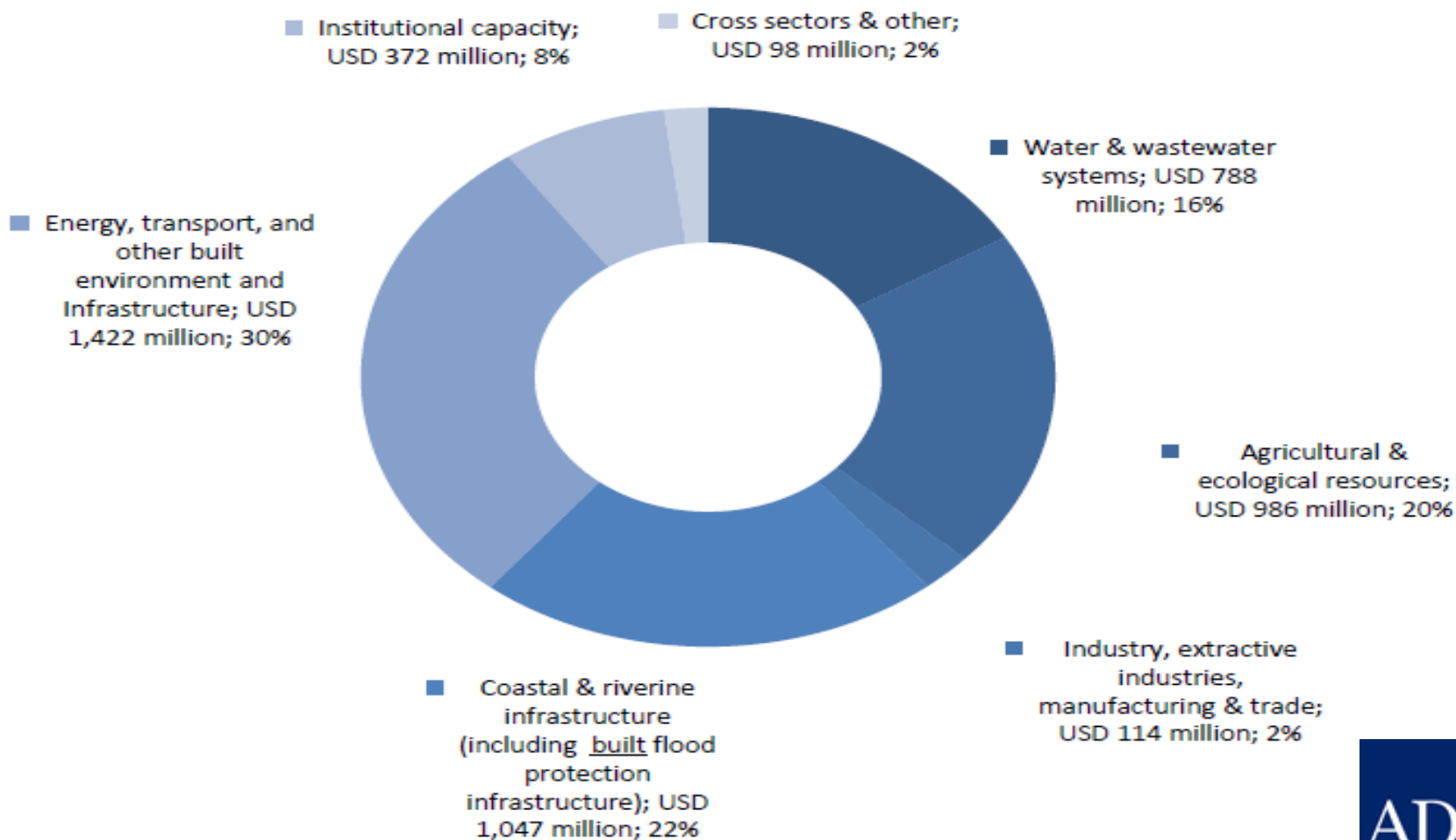


Total: USD 23,804 (in millions)

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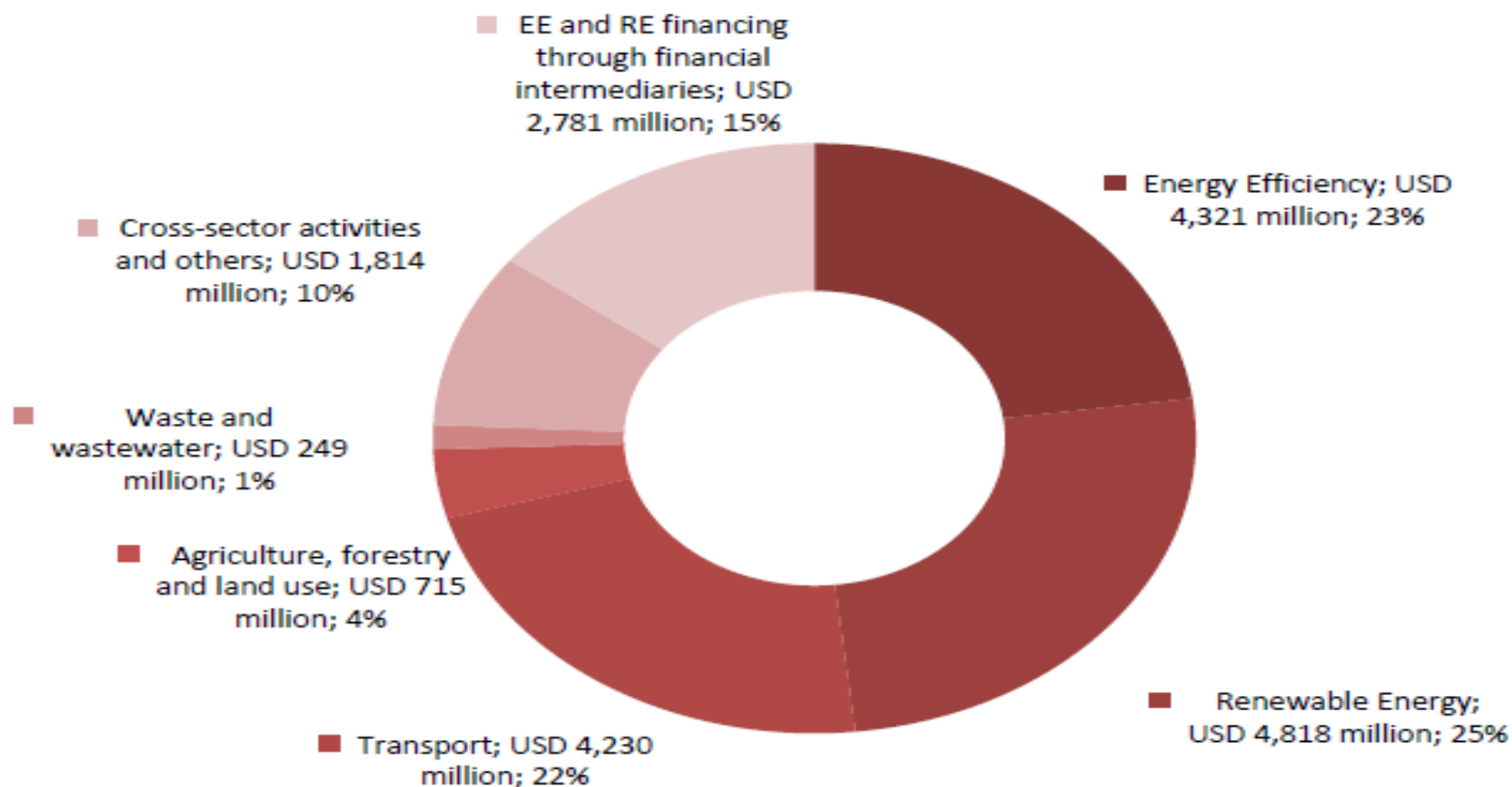
# MDB Adaptation Finance by Sectors (USD millions)



Total: USD 4,826 (in millions)

Source: Joint Report on MDB Climate Finance 2013

# MDB Mitigation Finance by Sectors (USD millions)



Total: USD 18,929 (in millions)

Source: Joint Report on MDB Climate Finance 2013

# ADB Climate Change Strategic Priorities

Priorities	Modalities		
	Finance	Knowledge	Partnerships
	Scaling-up Clean Energy		
	Encouraging Sustainable Transport and Urban Development		
	Managing Land Use and Forests for Carbon Sequestration		
	Promoting Climate-resilient Development		
	Strengthening Policies, Governance and Capacity		



# ADB Climate Finance, 2011-2014 (US\$ millions)

Year	Mitigation			Adaptation			Total		
	ADB resources	External	Subtotal	ADB resources	External	Subtotal	ADB resources	External	Subtotal
2011	2,196	139	2,335	455	103	559	2,652	241	2,894
2012	2,001	386	2,388	821	75	896	2,822	462	3,284
2013	1,948	333	2,280	880	108	988	2,828	441	3,268
2014	1,910	521	2,431	618	62	679	2,528	583	3,110

Finance++: Leveraging external finance from public and private sources  
In 2014, close to 19% of ADB's climate finance came from external resources

# Mitigation Initiatives

## Clean Energy

- > \$2 billion since 2011
- Asia Solar Energy Initiative: 3,000 MW new capacity by 2015
- Quantum Leap in Wind: 1 GW by 2016
- Energy for All Partnership: access for 100 million poor by 2015

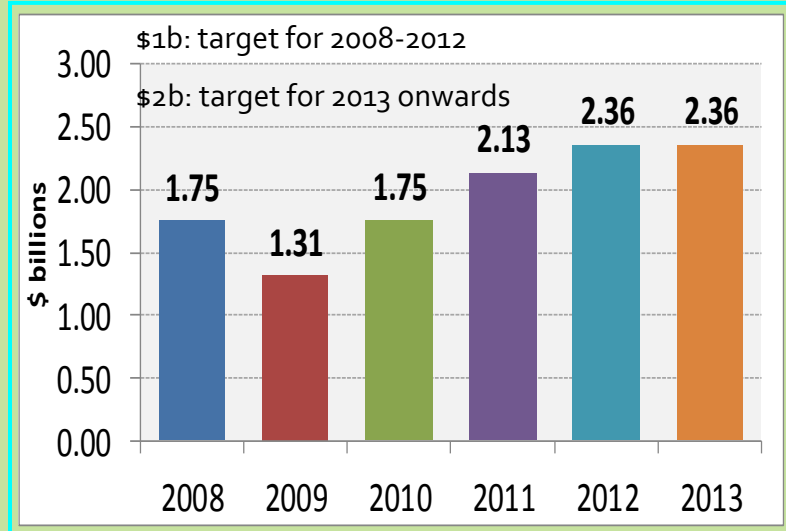
## Sustainable Transport & Urban Devt

- Sustainable Transport Initiative
- Urban Operation Plan: Green, Inclusive, Competitive Cities
- Cities Development Initiative for Asia

## Land Use and Forest Management

- Piloting REDD+/Forest Investment Program: Indonesia, Lao PDR, Mekong Region

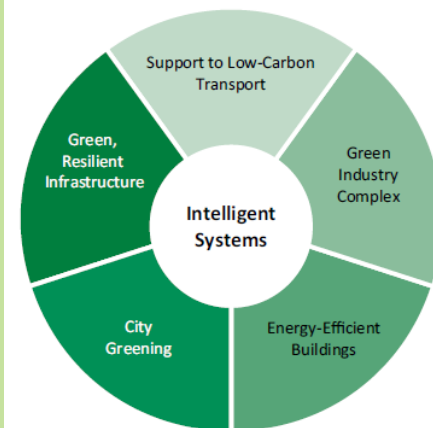
## ADB Clean Energy Investments



**Avoid** unnecessary vehicle kilometers

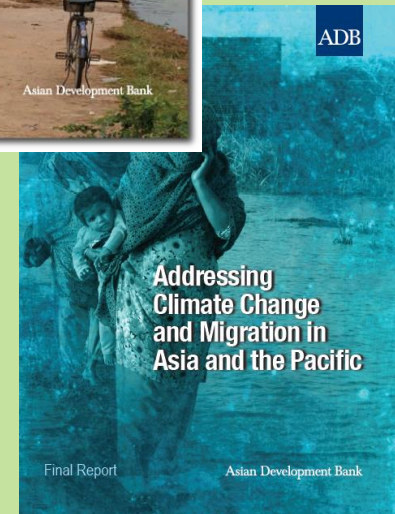
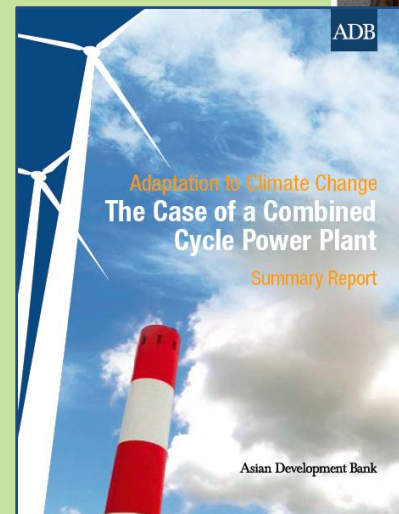
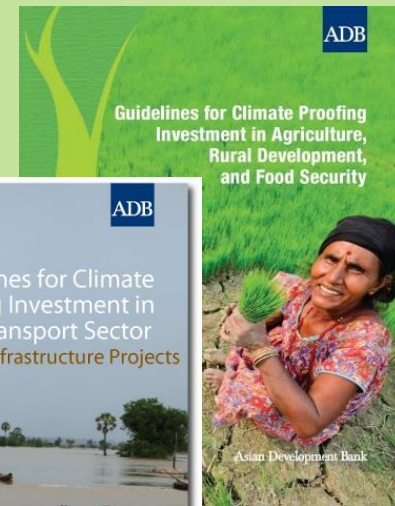
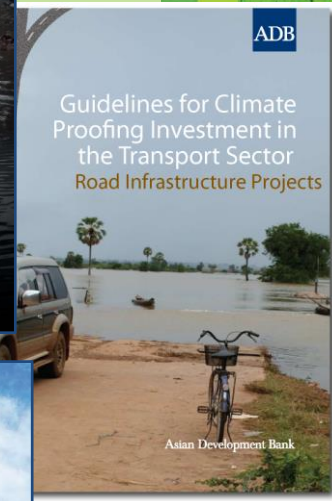
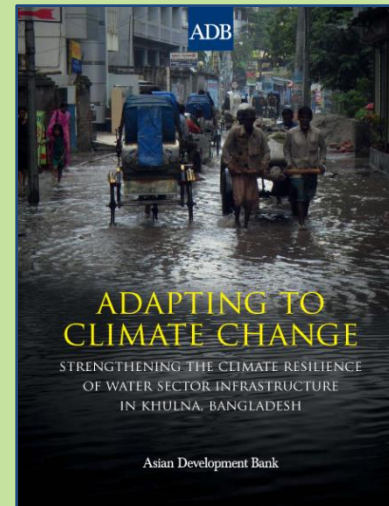
**Shift** to the lowest-emitting modes

**Improve** vehicle/fuel technology towards cleaner and more efficient options

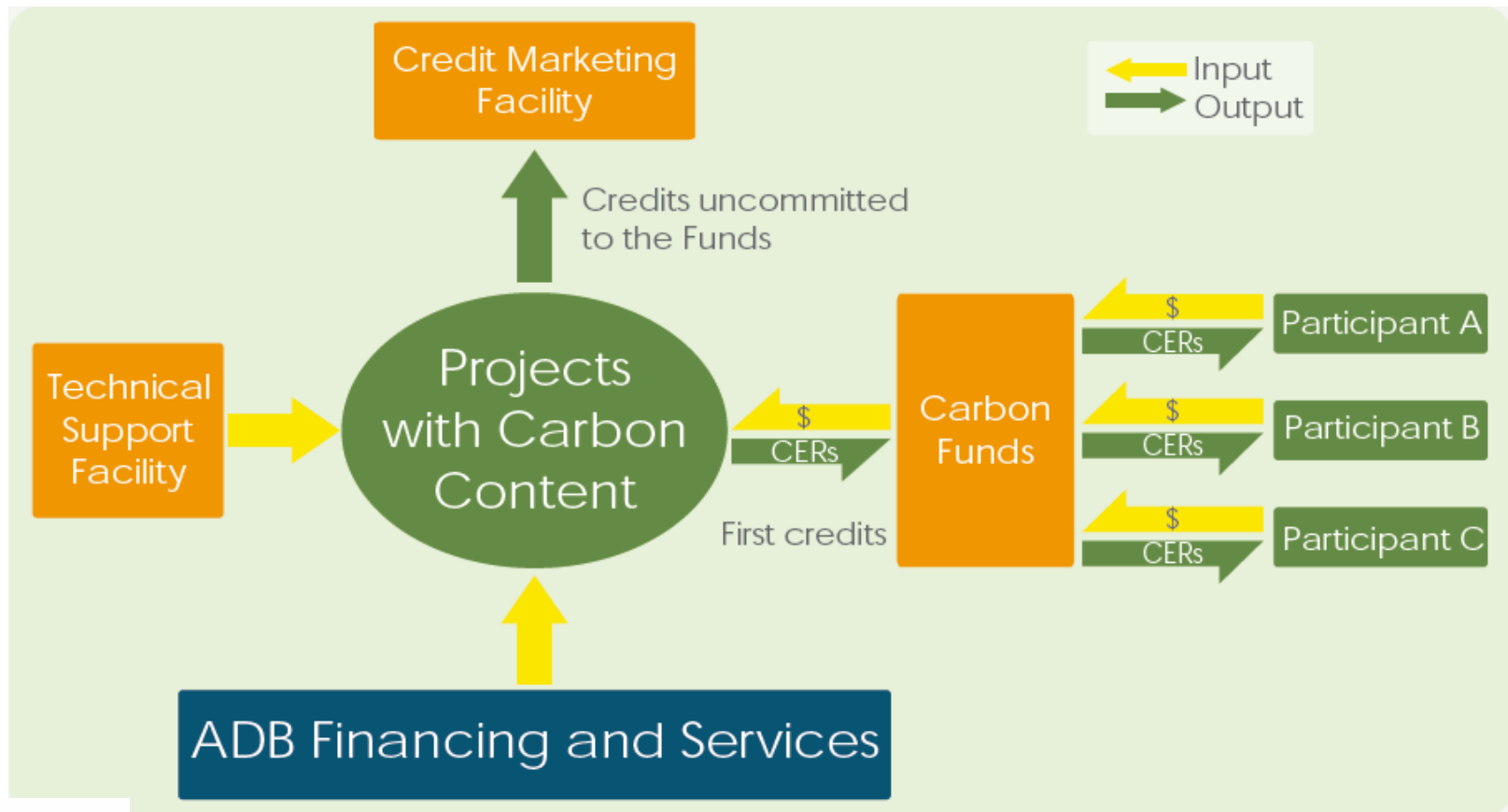


# Adaptation Initiatives

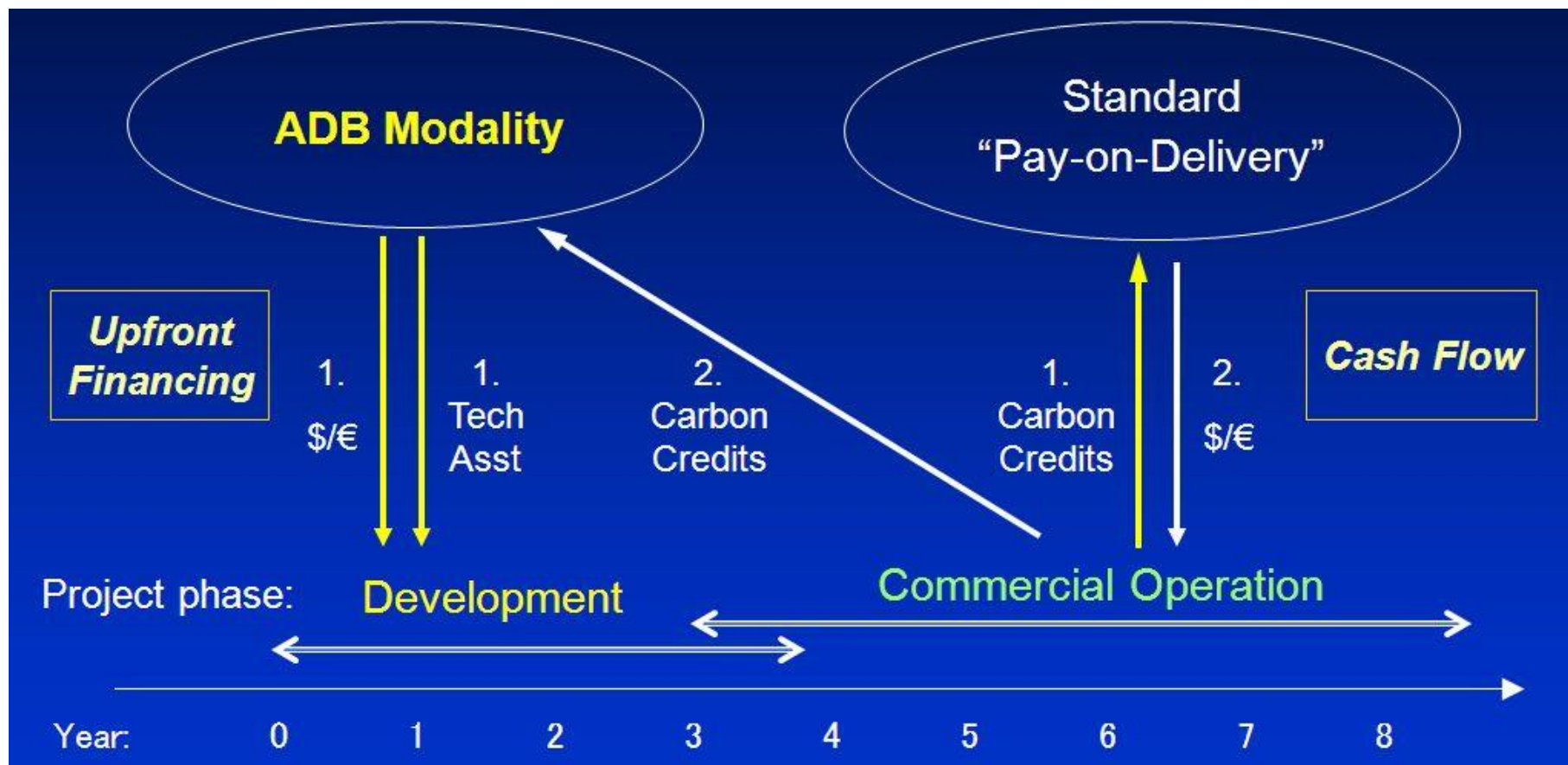
- Mainstreaming climate resilience in core development planning
  - Pilot Program on Climate Resilience for Bangladesh, Cambodia, Nepal, Papua New Guinea, Samoa, Tajikistan and the Pacific
- Climate proofing vulnerable projects: roads and bridges, ports, water supply and drainage
- Knowledge support: regional climate projections consortium data facility , guidance and tools
- Addressing social dimensions : migration, gender, health impacts
- Greater emphasis on integration of adaptation and disaster risk reduction



# ADB's Carbon Market Program



# ADB's Carbon Funds



# Asia Pacific Carbon Fund

## ❖ **Establishment:**

- Became Operational on 1 May 2007
- Funding commitments of \$151.8 million
- Fund Participants Belgium, Finland, Luxembourg, Portugal Spain, Sweden and Switzerland

## ❖ **Status:**

- APCF achieved formal closure on June 2014.
- The commitment was mobilized for renewable energy, energy efficiency, waste-to-energy and GHG mitigation projects in 9 Asian countries.
- APCF co-financed 71 CDM projects under 49 transactions.
- 15.63 million CERs were contracted worth US\$146.73 million.
- All contracted CERs have been received and distributed to the Participants.

# Future Carbon Fund

## ❖ **Establishment:**

- Commenced operations in 2009
- Funding commitments of \$115 million
- Participants from Government of Finland, Swedish Energy Agency, Participatie Maatschappij Vlaanderen NV (PMV) for Flemish Region of Belgium, Republic of Korea, POSCO and Eneco Energy Trade

## ❖ **Status:**

- Portfolio of 38 CDM projects as of 31 December 2014
- Contracted to purchase approximately 11 million CERs
- Well-diversified portfolio in terms of project types - biogas/biomass, geothermal, run-of-river hydropower, small-scale hydropower, solar cook stove, solar power, transport, waste management, wind power and energy efficiency projects
- Projects located in 12 countries in Asia and the Pacific



# Introduction to TA 8654

## ❖ **TA 8654: Supporting the Use of Carbon Financing from New Carbon Market Mechanisms to Promote Green Growth in Asia and the Pacific**

- Budgetary allocation of \$1.5 million
- Financed on a grant basis by the Japan Fund for Poverty Reduction, which is administered by the ADB
- ADB is the executing and implementing agency with the Climate Change and Disaster Risk Management Unit of the Regional and Sustainable Development Department serving as the focal point
- Implementation period is 24 months
- Initial focus will be on countries in South and Southeast Asia such as Bangladesh, Indonesia, the Lao People's Democratic Republic, the Philippines, Thailand and Viet Nam, with a possibility to expand to others based on their needs and availability of funds.



# Objectives of TA 8654

The TA will help promote green growth in ADB Developing Member Countries (DMCs) through supporting the use of carbon financing

- ❖ Support selected DMCs build their institutional capacities to effectively participate in, and take advantage of, bilateral mechanisms such as joint crediting mechanism (JCM)
- ❖ Provide direct technical support to projects under bilateral mechanisms such as JCM
- ❖ Disseminate information and develop knowledge products on new carbon market mechanisms

# Proposed Capacity Building Workshops

Promoting Bilateral Mechanisms in Asia and the Pacific, A Workshop on the Joint Crediting Mechanism	Proposed Schedule
Hanoi, Viet Nam	21-22 April 2015
Jakarta, Indonesia	21-22 May 2015
Dhaka, Bangladesh	23-25 June 2015
Bangkok, Thailand	21-22 July 2015
Vientiane, Lao PDR	26-27 August 2015
Manila, Philippines (including Regional Forum)	22-24 September 2015

# Thank you

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