



# Decarbonizing Transport in Asia

## The experience from the Asian Development Bank

10 February 2023

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# ADB High Level Climate Change Commitments



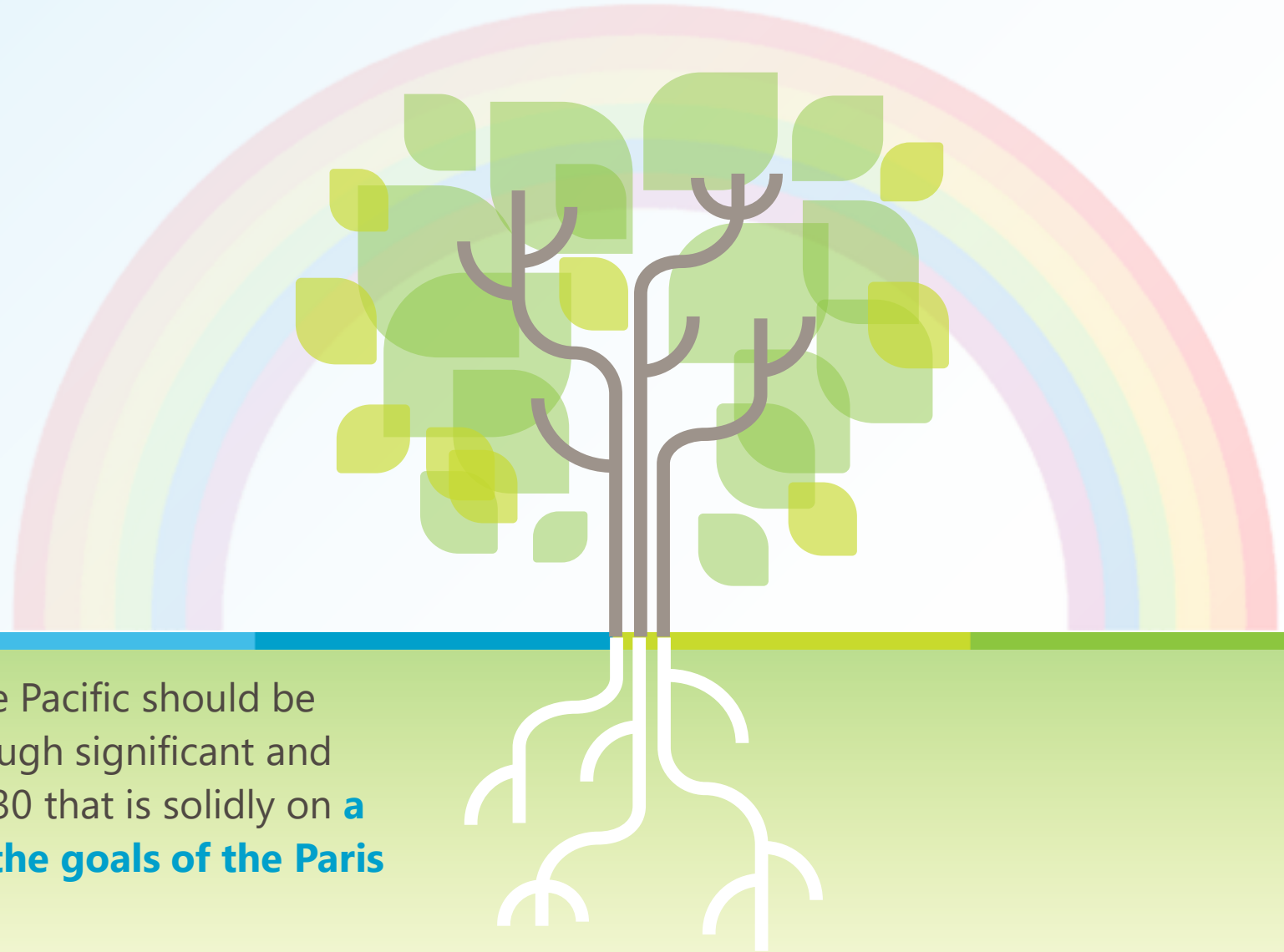
## President's Vision Statement and Commitments

- **Full alignment of ADB's new sovereign operations with the goals of the Paris Agreement** by 1 July 2023, and 85% of our non-sovereign operations fully aligned by 1 July 2023 and 100% of non-sovereign operations fully aligned by 1 July 2025;
- **Doubling our annual average climate adaptation finance** (compared with 2015–2018), which will result in cumulative financing of \$9 billion from 2019 to 2024.
- **Increasing Total Climate Finance Ambition to \$100 billion by 2030**

# The Climate Change Action Plan (CCAP)

The aim of the Action Plan is to enable ADB to deliver on our commitment to **being Asia and the Pacific's climate bank**, thereby strengthening Asia and the Pacific's capacity to **become resilient to, and a driver in the prevention of, climate change.**

In accordance with our vision, Asia and the Pacific should be characterized by prosperity, provided through significant and sustainable economic development by 2030 that is solidly on **a path toward alignment with achieving the goals of the Paris agreement.**



# Scaling-Up Climate Action – Upstream, Midstream & Downstream Engagement

## UPSTREAM

**DMC Country Engagement**

**Rigorous Multi-Sector  
Country Climate Diagnostic**

**Country Partnership Strategy  
(CPS)**

**Climate Change Policy Based  
Lending (PBL)**

## MIDSTREAM

**NDC – nationally determined  
contribution**

**LTS - 2050 long-term low GHG  
emissions development strategies**

**NAP- National Adaptation Plan  
(NAP) Investment Plans**

**Multi-hazard climate and disaster risk  
analysis**

**Sector Plans**

**Country Climate Change Plans**

## DOWNSTREAM

**ADB's Indicative Country  
Pipeline**

**Projects designed to be  
climate smart**

**Technical Assistance - support  
to project development**

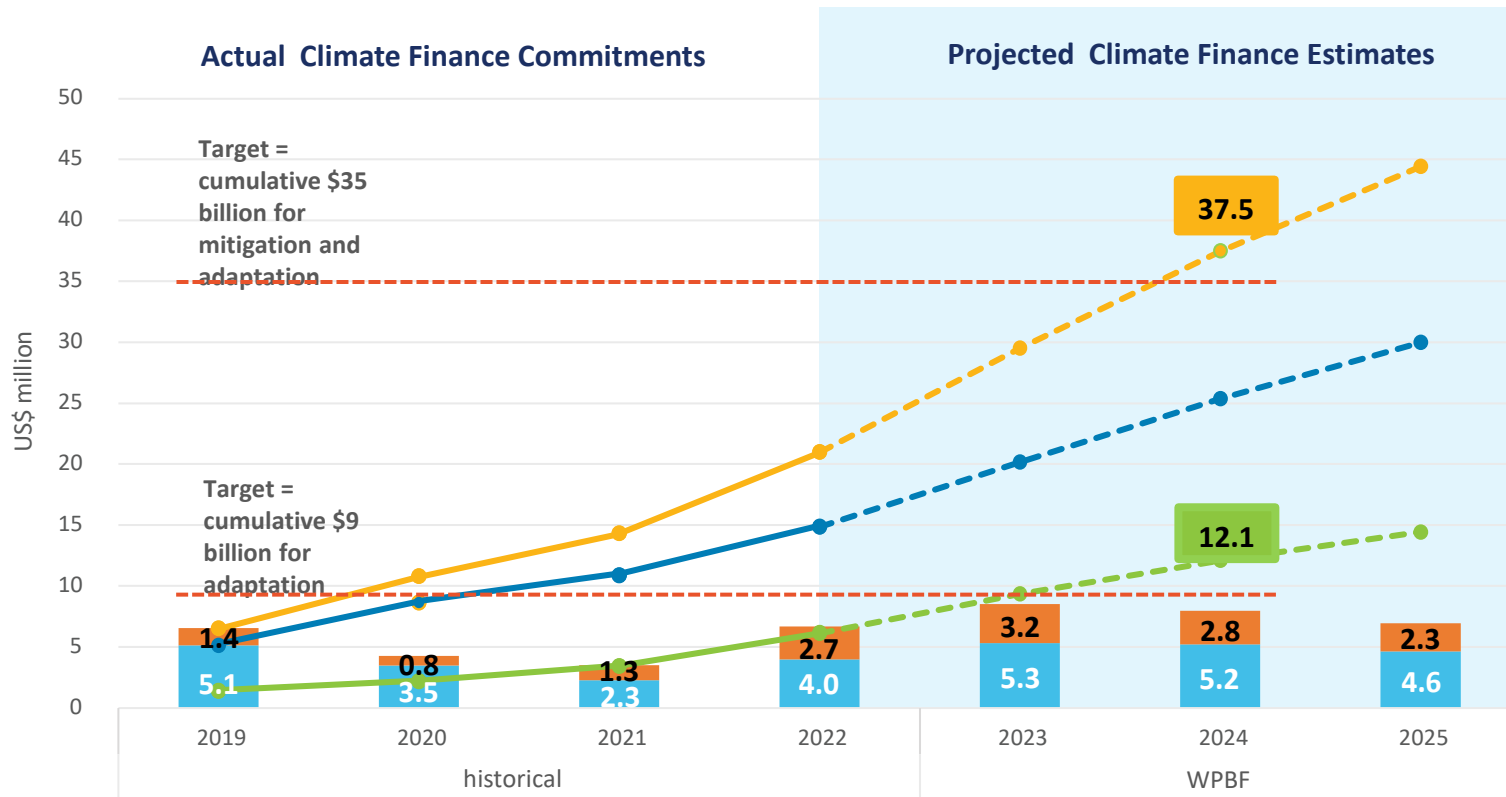
**Supporting Countries to be  
Paris Aligned**



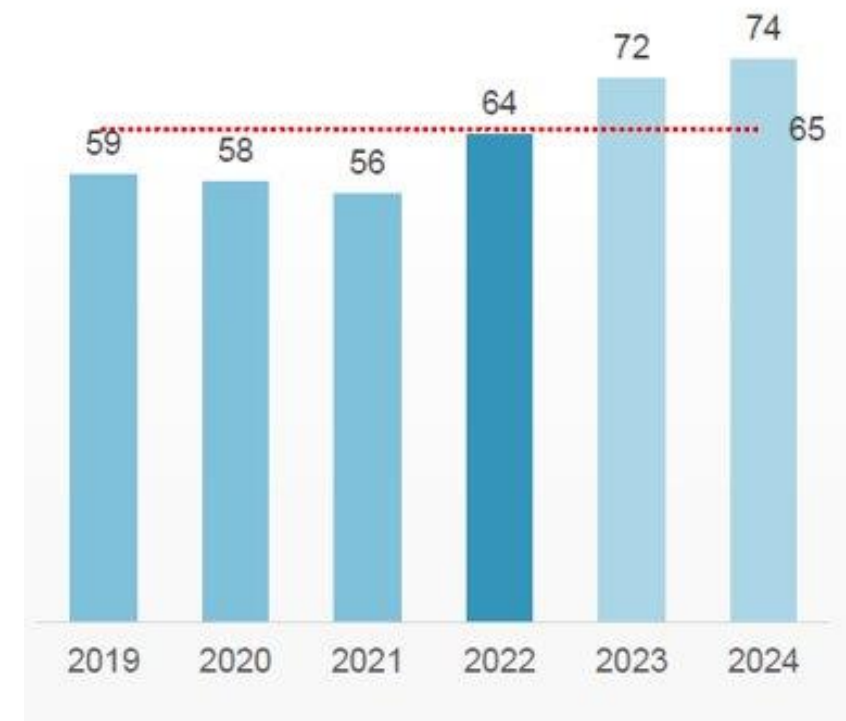
# ADB's Climate Finance Targets

## \$100 billion by 2030

ADB Climate Adaptation and Mitigation Financing, 2018–2025 (\$ billions)



Climate finance (Corporate Results Framework)



**Note:** Based on 3-year rolling average. Commitments include sovereign and nonsovereign projects but exclude private sector programs.

# Actions to Reach Climate Finance Ambition

Raising the 2019-2030  
climate finance ambition to  
**\$100 billion.**

**\$20 billion is added to provide support for the climate agenda in five main areas:**

1. new avenues for climate mitigation;
2. a scale-up of transformative adaptation projects;
3. increase in climate finance in ADB's private sector operations;
4. support to advance reforms in DMCs.



# Scaling up technical support and access to finance

## ADB Stepping Up as Asia and the Pacific's Climate Bank

■ Mitigation
 ■ Cross-cutting
 ■ Adaptation

Total funding (2022 portfolio and pipeline)

**\$40.29 million**

Mitigation  
**\$21.55 million**

Adaptation  
**\$18.74 million**

### Just Transition Platform

Taking on a comprehensive approach to connect climate action with inclusive development pathways, collaborating across themes of climate, social and gender.

### NDC Advance Platform

Dedicated technical assistance with total grant financing of **\$8.1 million** to help DMCs mobilize finance, build capacity, provide knowledge and other support needed to implement NDCs.

### Energy Transition Mechanism (ETM)

Scalable, collaborative initiative developed in partnership with DMCs that will leverage a market-based approach to accelerate the transition to clean energy.

### Innovative Finance Facility for Climate in Asia and the Pacific (IF-CAP)

Innovative guarantee facility that will scale up climate financing by ADB, leveraging at least \$3-4 of financing for every \$1 put in.

### ASEAN Catalytic Green Finance Facility (ACGF)

Aims to mobilize **\$7 billion** for low-carbon and climate-resilient infrastructure projects; up to **\$12 billion** co-financing pledged to the facility.

### Climate Adaptation Step-Up Program (CASP) 2025

Scaling up adaptation through supporting risk informed adaptation investment planning; financing investments with adaptation outcomes; and strengthening DMC capacity for effective implementation.

### Proposed new fund on coastal adaptation and blue economy

Around **\$20 million** program promoting innovative green and blue solutions for building coastal resilience.

### Community Resilience Partnership Program (CRPP)

Mobilized **\$68 million** to date, providing scaled-up support to local adaptation investments.



### ACTIVE TAs and Total Funding

- Investing in Climate Change Adaptation Through Agroecological Landscape Restoration: A Nature-Based Solution for Climate Resilience: **\$2 million**
- Building Institutional Capacity: Delivering Climate Solutions under Operational Priority 3 of Strategy 2030: **\$2.7 million**
- Improved Decision-making for Climate Resilient Development in Asia and the Pacific: **\$2.15 million**
- Promoting Life Cycle Management of Fluorocarbons: **\$750,000**
- Support for Implementation of the Asia-Pacific Climate Finance Fund: **\$1.13 million**
- Supporting Adaptation Decision Making for Climate Resilient Investments: **\$3.2 million**
- Advancing Inclusive and Resilient Urban Development Targeted at the Urban Poor: **\$5 million**
- Establishing a Support Facility for Article 6 of the Paris Agreement: **\$5 million**

### Dedicated Climate Trust Funds

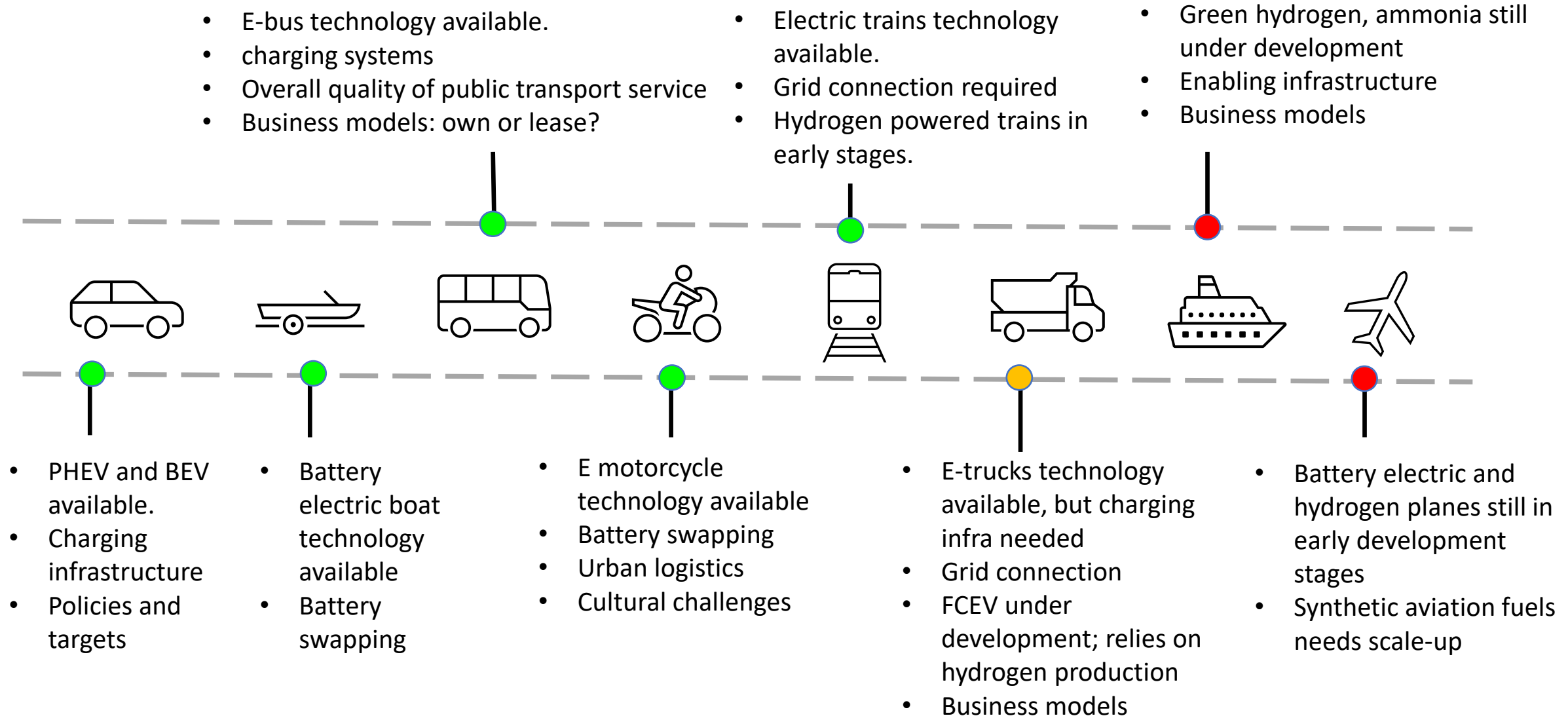
- Asia Pacific Climate Finance Fund: **\$33.3 million**
- Australian Climate Finance Partnership: **A\$140 million**
- Canadian Climate Fund for the Private Sector in Asia I & II – Under Deployment
- Clean Energy Financing Partnership Facility: **\$345 million**

- Climate Innovation and Development Fund: **\$25 million**
- Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States: **\$13.4 million**
- Japan Fund for the Joint Crediting Mechanism: **\$90 million**
- Urban Climate Change Resilience Trust Fund: **\$149 million**

DMC=Developing member country.

Notes: Amounts are cumulative commitments as of March 2022.

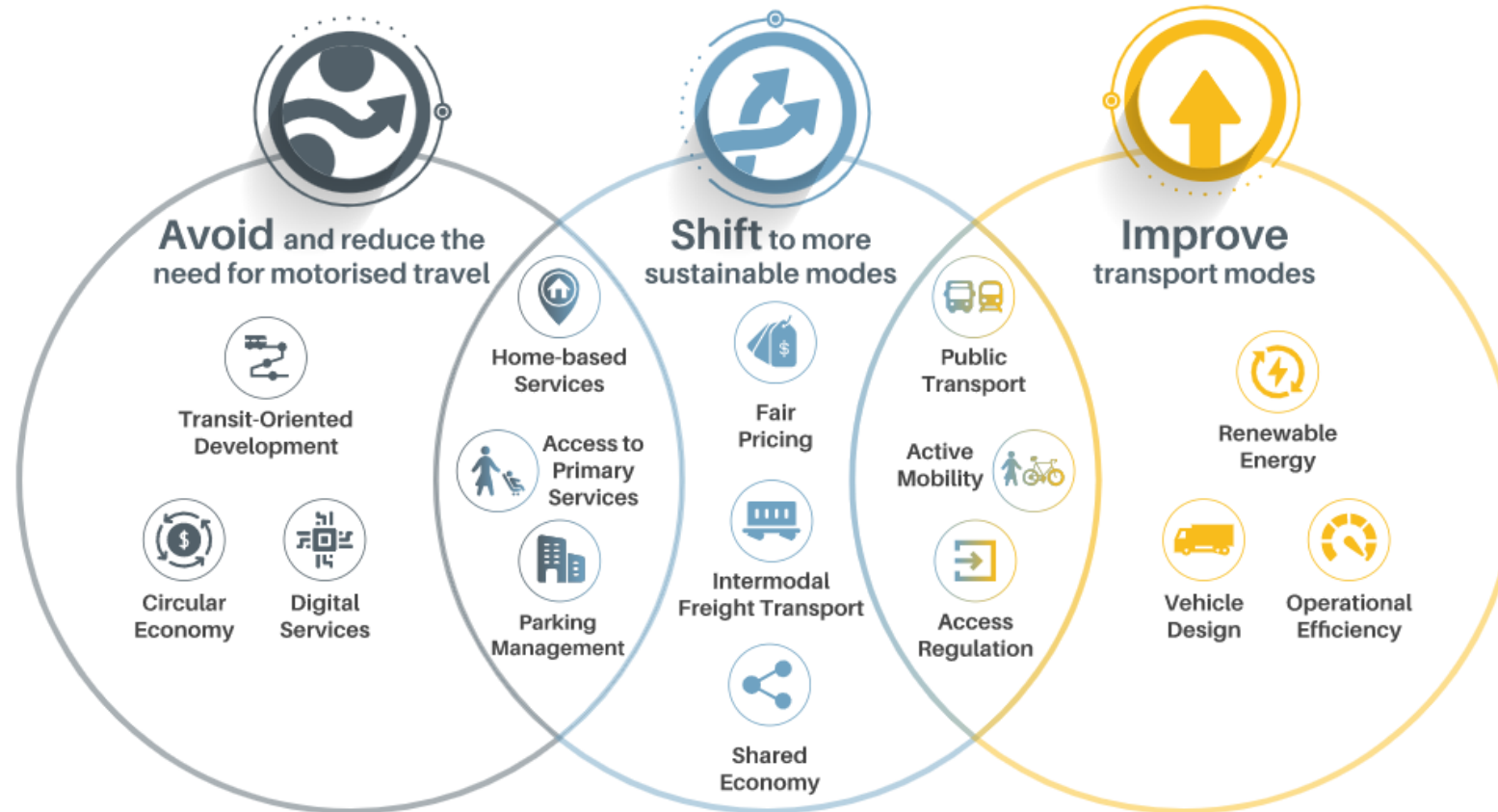
# Mitigation: How can transport systems become carbon neutral?



Low-carbon technologies for mobility are evolving rapidly... we need to design transport infrastructure for tomorrow's mobility.



# Mitigation: How can transport systems become carbon neutral?



*\*The A-S-I diagramme presents a non-exhaustive list of measures for illustrative purposes only.*

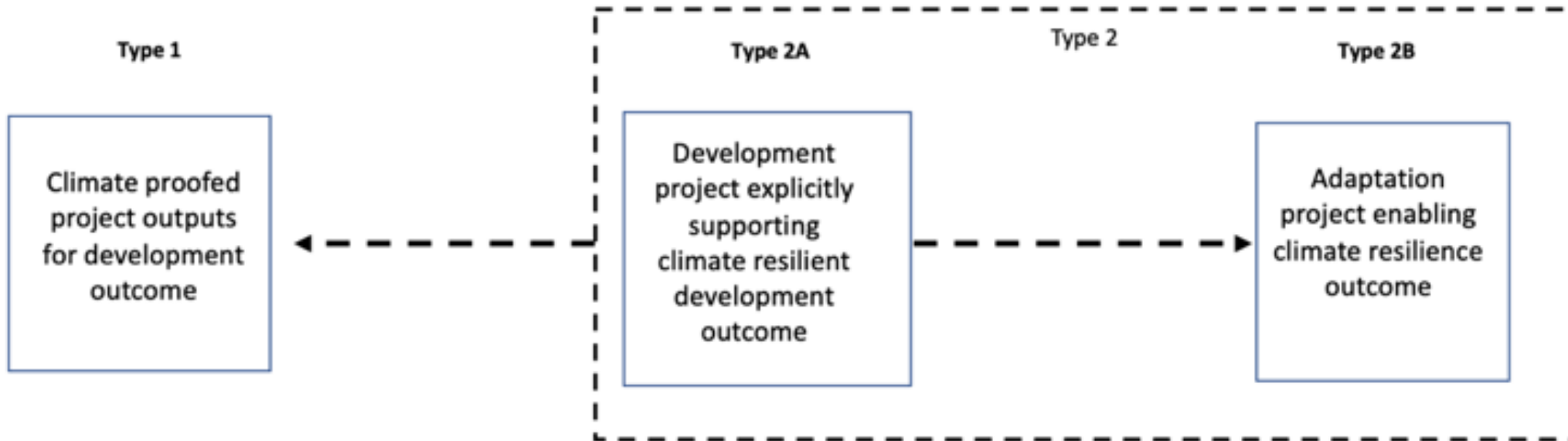
Source: SLOCAT

- + Planning
- + Policies
- + Regulations
- + Targets
- + Cross Sector collaboration
- + Muti stakeholder implementation
- + Financing

# Adaptation: From climate proofing to enabling resilience

## New Approach for Shifting Towards Type 2 Projects:

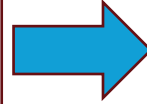
- Projects where transport can be an **explicit enabler** to steer settlement patterns over time to reduce vulnerability (Type 2A)
- Project or project component that has a **primary objective** of building resilience (Type 2B)



# Adaptation: From climate proofing to enabling resilience

## Principles to Guide Formulation of Type 2 Projects

- Principle 1: Informed by **country adaptation priorities**
- Principle 2: Based on **system-level climate risk assessment**
- Principle 3: Outputs support **transformational adaptation**
- Principle 4: DMF includes **outcome/output indicators** on resilience
- Principle 5: Aligned with **j-MDB methodology** on climate finance



## Operationalizing new approach

- Country Programming
  - **Climate-informed sector diagnostic** to assess sector-wide impacts of climate change, identify hotspots and effective adaptation solution
- Project Inception
  - Undertake initial **climate risk assessment of wider system** to explore opportunities of Type 2A and Type 2B project and estimation of adaptation finance
- Project Preparation
  - Undertake detailed **climate risk assessment** and economic appraisal of adaptation options to inform design



ADB

**Thank you.**