

**Mainstreaming Adaptation Concerns in  
Development Assistance Operations – a  
regional development bank case study**

**Presentation for 18<sup>th</sup> Asia-Pacific Seminar on  
Climate Change  
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# Main Topics

- **Planning for Adaptation**
  - ADB Long Term Strategy to 2020
  - Climate Change Implementation Plans
  - Country Partnership Strategies
- **Knowledge Development for Adaptation**
  - Portfolio at Risk
  - Screening Tool
  - Example Projects that are building our practical knowledge
- **Finance for Adaptation**
  - Internal Funds
  - External Funds

# Planning for CC Adaptation

- **ADB Strategy 2020**
  - Environment and Climate Change is one of ADB's five core areas of specialization.
  - Specifically for adaptation, the strategy says: *ADB will also help DMCs adapt to the unavoidable impacts of climate change—including those related to health—through national and municipal planning, investments in defensive measures, support for insurance and other risk-sharing instruments, and “climate-proofing” projects.*



# Planning for CC Adaptation (con't)

## Regional Department Climate Change Implementation Plans (CCIPs)

1. Making Operational the Climate Change Elements of Strategy 2020: Assessing issues, needs, gaps, on-going actions, and existing frameworks
2. Designed to meet nationally-defined objectives
3. Mainstreaming in RDs' core operations – CPS - this is already started for some countries (Palau, Nepal, Bangladesh, Viet Nam)

CCIP formulation expected by 2<sup>nd</sup>Q 2009

# Knowledge Development

## ADB Portfolio at Risk

- Objective: the preliminary identification of the level of potential risk facing ADB's active loan portfolio (sovereign) from anticipated climate change impacts
- Risk calculated using the formula: **Risk = a + b + c**

where,

a = Geo-climatic zone vulnerability

b = Sector vulnerability

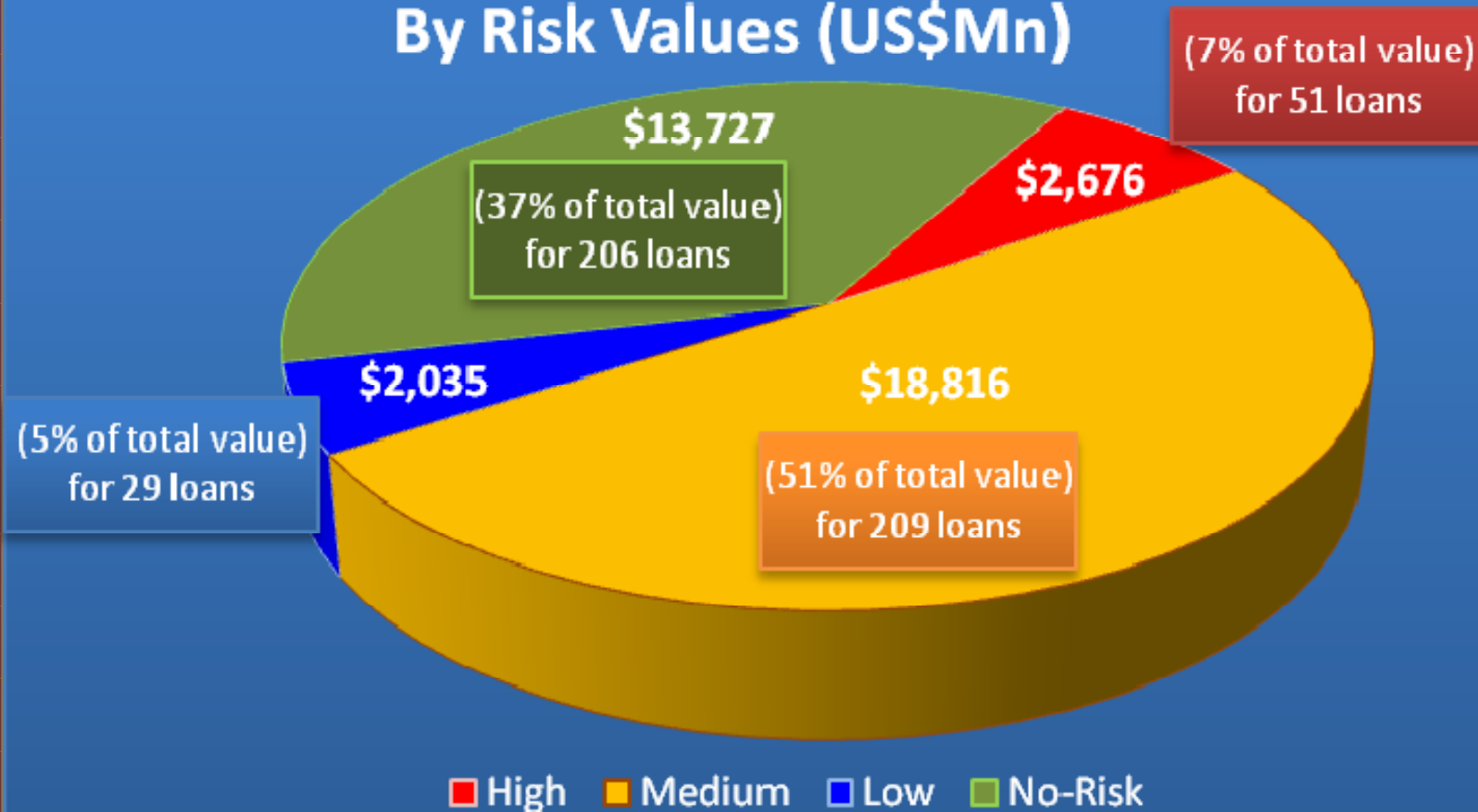
c = Governance vulnerability

Risk categories: High, Medium, Low

# Knowledge Development (con't)

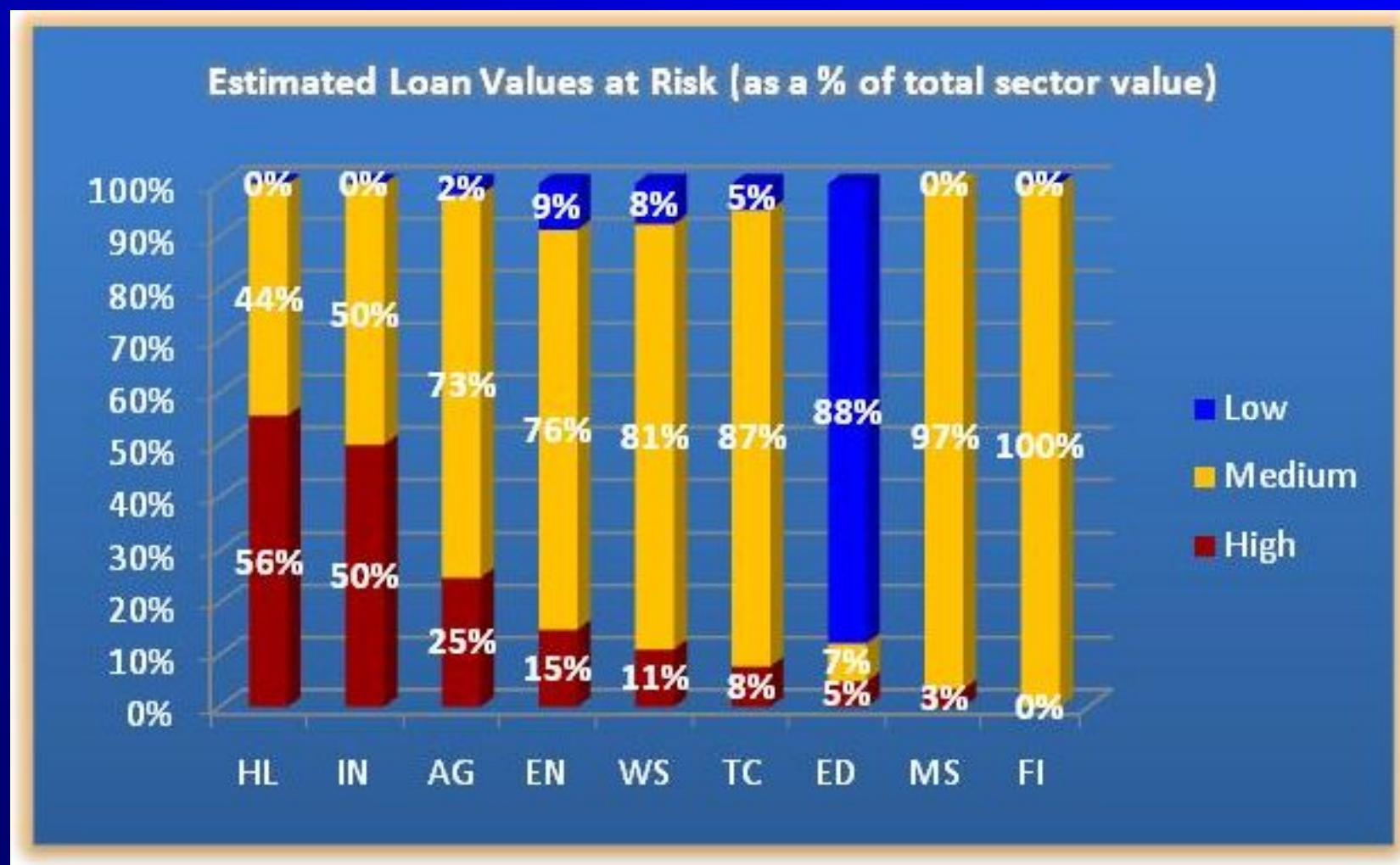
## ADB Portfolio at Risk: Results

ADB's Screened Loan Portfolio,  
By Risk Values (US\$Mn)



# Knowledge Development (con't)

## ADB Portfolio at Risk: Results



# Knowledge Development (con't)

## ADB Portfolio at Risk: Results





# Knowledge Development (con't)

- Screening Tool (in progress)
  - Reviewed/prepared summary of 17 screening tools
  - Working with MFI working group and OECD DAC on environment to harmonize screening tool approaches
  - Key elements of review: overall function and context, ability to combine data sets and methods, potential to harmonize aspects of available tools.

# Knowledge Development (con't)

- Example Projects that are building our practical knowledge
  - CLIMAP Project (developing and applying economic tools to adaptation)
  - Regional Review of Economics of Climate Change (aka Mini-Stern) – assess economic costs and benefits of climate change in Vietnam, Thailand, Singapore, Indonesia, Philippines
  - HCMC Coastal Cities Project (predicting social, environmental, and economic impacts of government plans and policies on urban development)

# Financing for CC Adaptation

## Adaptation

## Adaptation and Mitigation

INTERNAL - from ADB

**Small Grants for Promoting Climate Change Adaptation**  
(\$1.2 m)

**Water Financing Partnership Facility**  
(target \$65 m, including adaptation)

**Poverty and Environment Fund**  
(\$3.6 m, including adaptation)

**Climate Change Fund**  
(\$40 m)

EXTERNAL - GLOBAL

**Least Developed Countries Fund**  
(GEF as administrator)  
(\$189 m)

**Strategic Priority on Adaptation** (part of GEF Trust Fund)  
(\$50 m)

**Adaptation Fund**  
(GEF as administrator in cooperation with UNFCCC Secretariat) (\$100 m by 2009)

**Special Climate Change Fund GEF Administered** (adaptation priority, target \$75 m; mitigation, target \$15 m)

**Strategic Climate Fund of the Climate Investment Fund** (WB Trustee) Target:

- Pilot Program for Climate Resilience \$500 m
- Forest Investment Prog. \$500 m
- Greening Energy Access \$500 m

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Or visit our website

[www.adb.org](http://www.adb.org)

**Thank you!**