

# UNDP's Response to Climate Change

## – *Partnerships in Asia and the Pacific*

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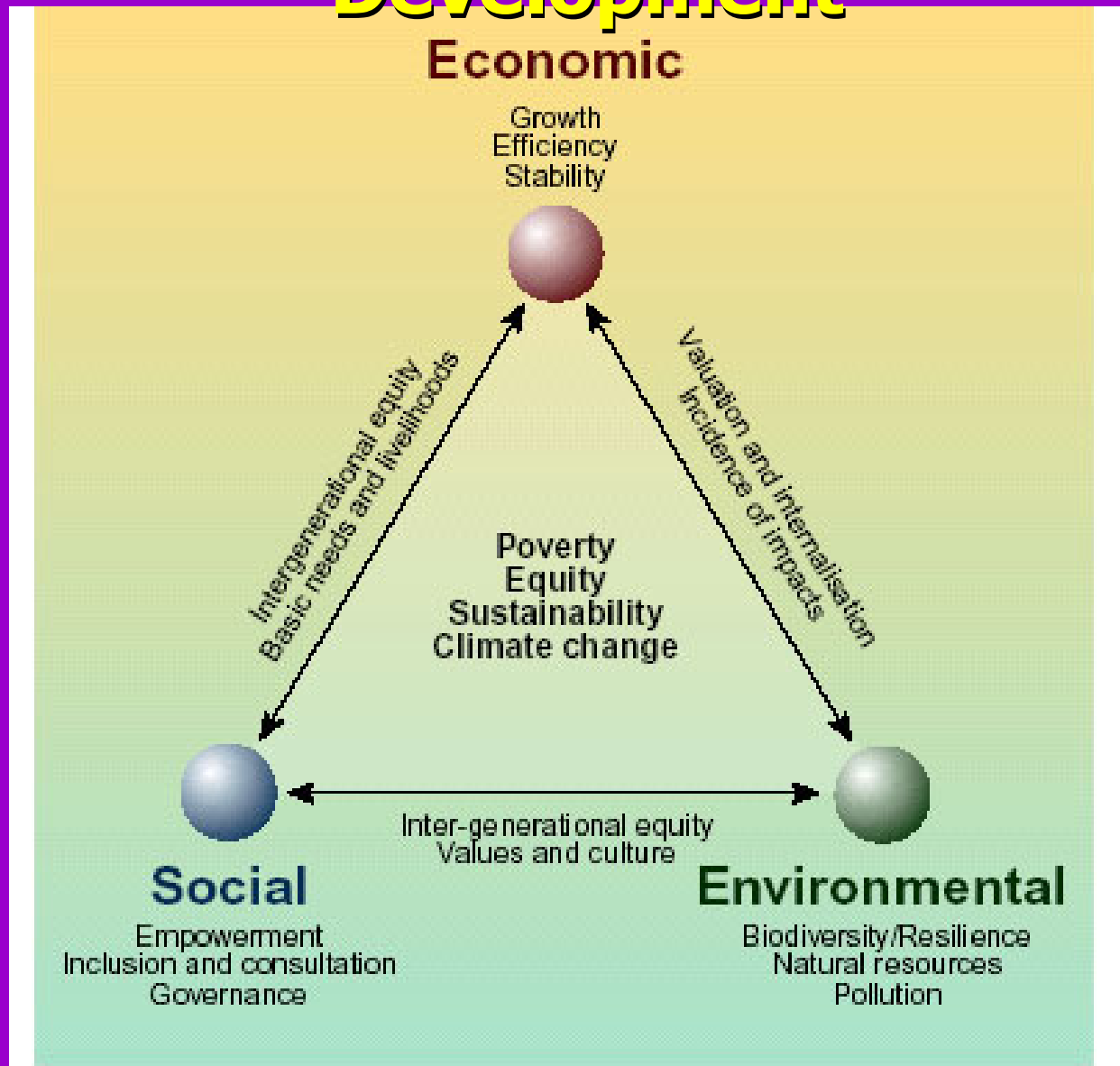
**Energy and Climate Change**

**Asia & Pacific Region**

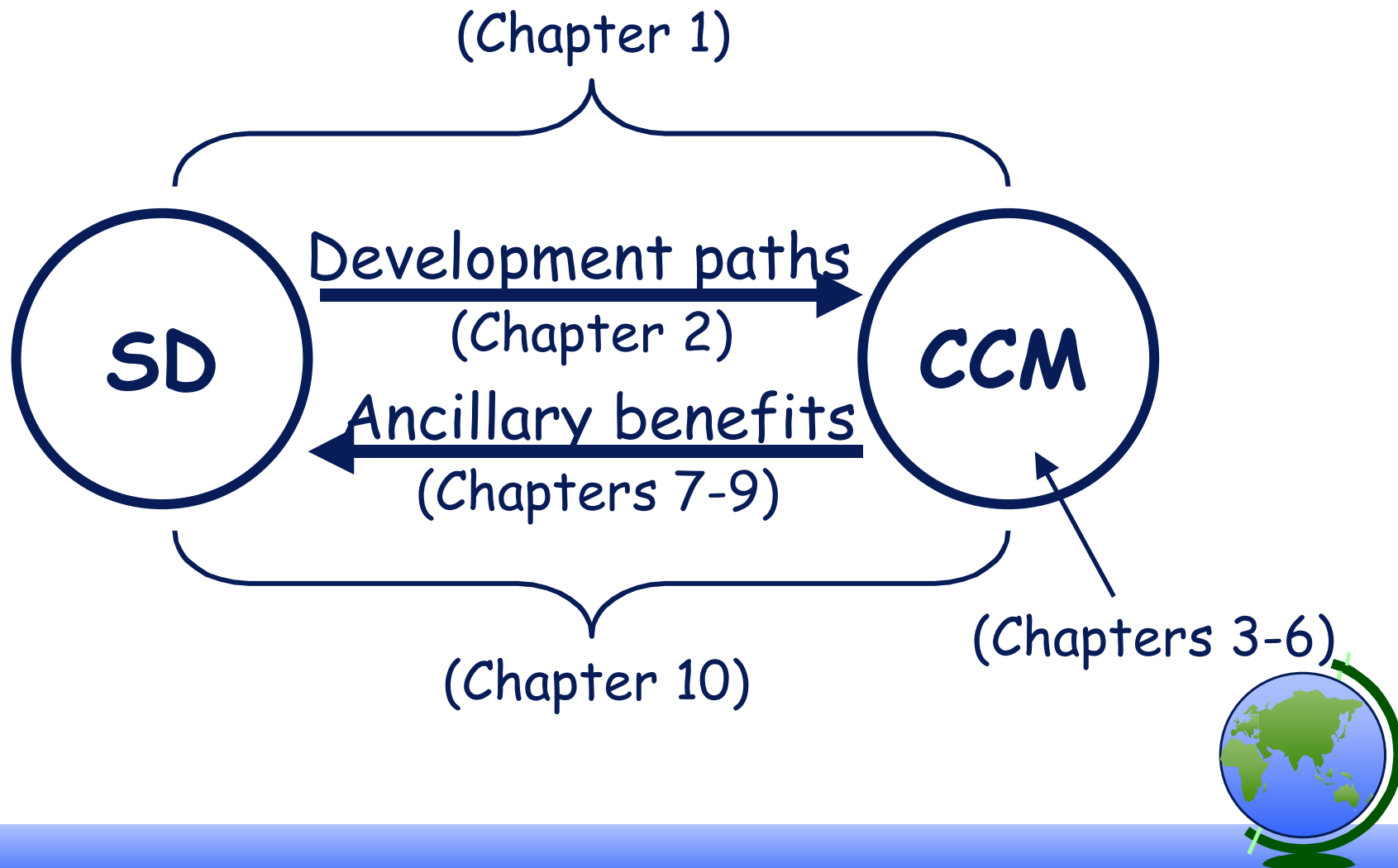
**UNDP-GEF**

**New York**

# Climate Change & Elements of Sustainable Development



# Linkages between Climate Change Mitigation and Sustainable Development in WGIII



# Main Findings of WEA

## -(World Energy Assessment)

Huge opportunities for increased efficiency, especially at point of end use: 30-45% in developing countries over next 20 years

- Much greater use of renewable energy possible and prices are falling: 20-50% generation possible from renewables over next 100 years, depending on the chosen technology path
- Advanced fossil fuel and clean energy technologies are an essential part of the solution

*Challenge is to use the above information for effective dialogue and agenda for action*

# UNDP CLIMATE CHANGE INITIATIVES

## UNDP Climate Change Initiatives

- ☺ UNDP Core
- ☺ UNDP /GEF

**Regional CC enabling initiatives:**

**ALGAS –UNDP/GEF funded, ADB executed;**

**PICAAP –UNDP /GEF Funded, SPREP executed**

**Regional CC /Energy**

**PIREP Pacific Island Regional Renewable Energy program :**  
**:Joint execution by national & regional institutions**

# Core UNDP :Thematic Trust Funds (TTF)- \$ 4.2mill (*Phase 1, June 2002*)

**Problem:** development objectives not linked to energy planning, nor energy to development

**Service line 1:** strengthening national policy frameworks to support energy services

**Problem:** without energy services poverty cannot be reduced in rural areas, urban poverty increases

**Service line 2:** promoting rural energy services to support growth and equity

**Problem:** technology choice in developing countries affects growth options and future of environment

**Service line 3:** promoting clean energy technologies for sustainable development

**Problem:** developing countries lack adequate capacity to shape and benefit from new financing mechanisms

**Service line 4:** capacity building on new energy financing mechanisms including those related to Kyoto Protocol



# UNDP's Role in Mitigation of Climate Change

- **Implementing Agency of GEF**
  - Manage a total portfolio valued at US\$450m of GEF resources
  - Focused on Capacity Building, Technical Assistance and Small-scale investments
  - Enabling Activities (US\$100m)
  - Energy Efficiency projects (US\$100m)
  - Renewable Energy projects (US\$140m)
  - Transport Sector projects (US\$40m)
  - Typical structure: technical assistance activities designed to remove perceived barriers and formulate correct policy environment for a few key demonstration installations plus follow-on investment funds to stimulate further market transformation and replication

# Global Environment Facility/UNDP:\$180 mill grant to Asia & Pacific countries

**(1992-2001)**

- Largest source of energy-CCM project financing for UNDP
- Focus on activities and energy use that reduce Greenhouse Gas (GHG) Emissions
- Barrier removal to new energy approaches- policy, market, financing, information & institutional
- Focus on energy efficiency, renewable energy, new technologies
- Increasing access to basic services and support for sustainable energy use is an inherent logic of project design, though not explicit for GEF funding eligibility



# Energy Efficiency & Conservation project examples

- ***Portfolio:** Barrier Removal for Efficient Lighting Products & Systems in China, Vietnam , Philippines  
Barrier Removal for Industrial Energy Efficiency in Malaysia ,  
Energy Efficiency and Conservation for Township and Village Entps in China ;  
Energy Efficiency improvements in Refrigerators in China, **Portfolio:** Energy Efficiency Improvement in the Building Sector : Mongolia ;*
- ***Project preparatory work , PDF -B :** Vietnam SMEs, Iran-EE &C, India :  
Steel Re-rolling: Energy Efficiency Programmatic Framework in China, ( multi donor, multi sector initiative with 3 phases;*

# Energy Efficiency and Energy Conservation

*Preparatory funds  
approved for pipeline*

*Under implementation*

*\*Pipeline Projects*



## Renewable energy project examples

Removal of the barriers to the use of commercial or near commercial renewable energy technologies (RETs) and reduction of implementation costs :

- *Srilanka, Fiji , Philippines* RE commercialization through capacity building and RE service company.  
Biomass Cogeneration from Palm oil mill waste in *Malaysia*,  
Biomass power generation and cogeneration from rice husk and rubber *Thailand*; *Pacific Regional Energy Program*

# Renewable Energy in Asia (UNDP/GEF )



*\*Approved and Pipeline of Projects with prep funding*

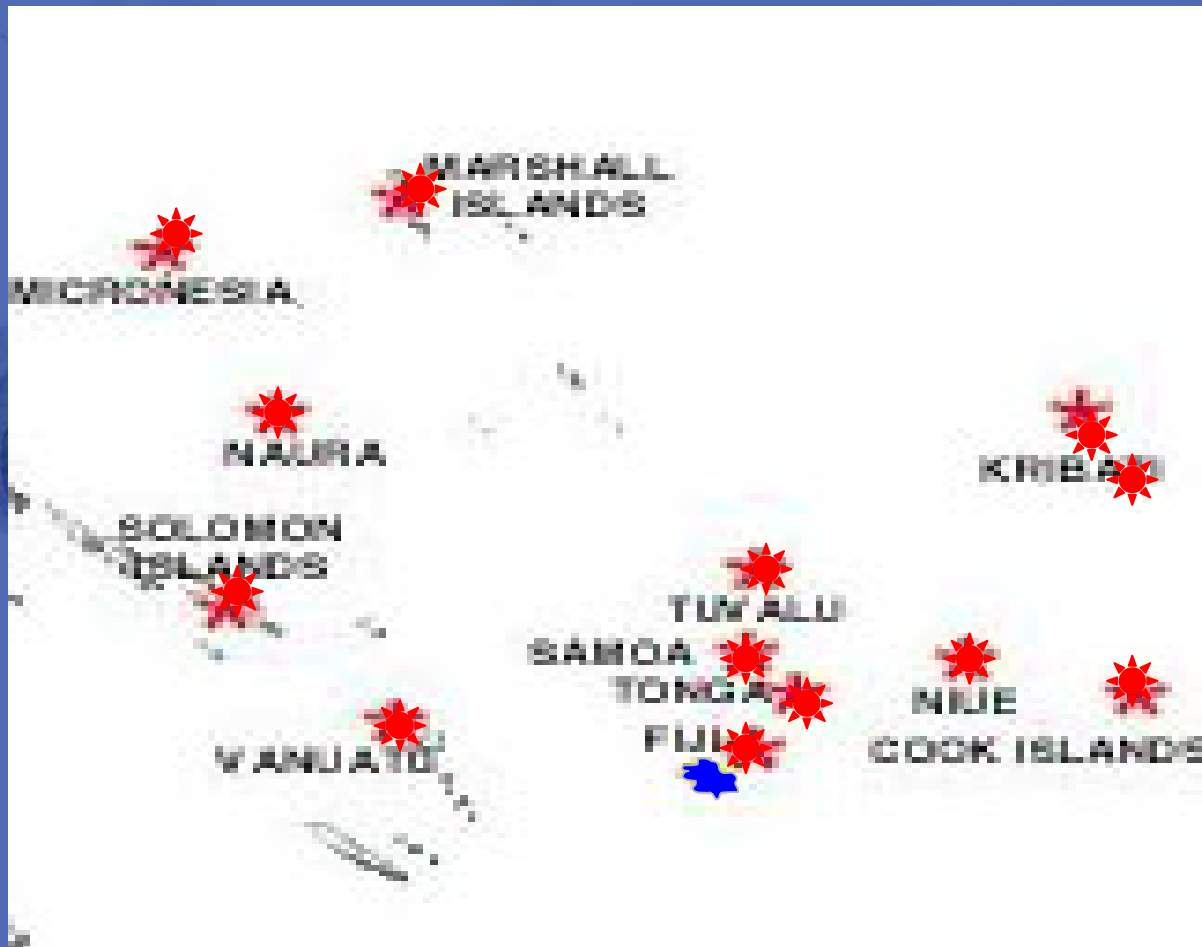


# Renewable Energy in the Pacific

GEF Resources requested for : \$1.5 Mill

*Project under implementation \$750 Th*

*\*Regional Portfolio of Projects*



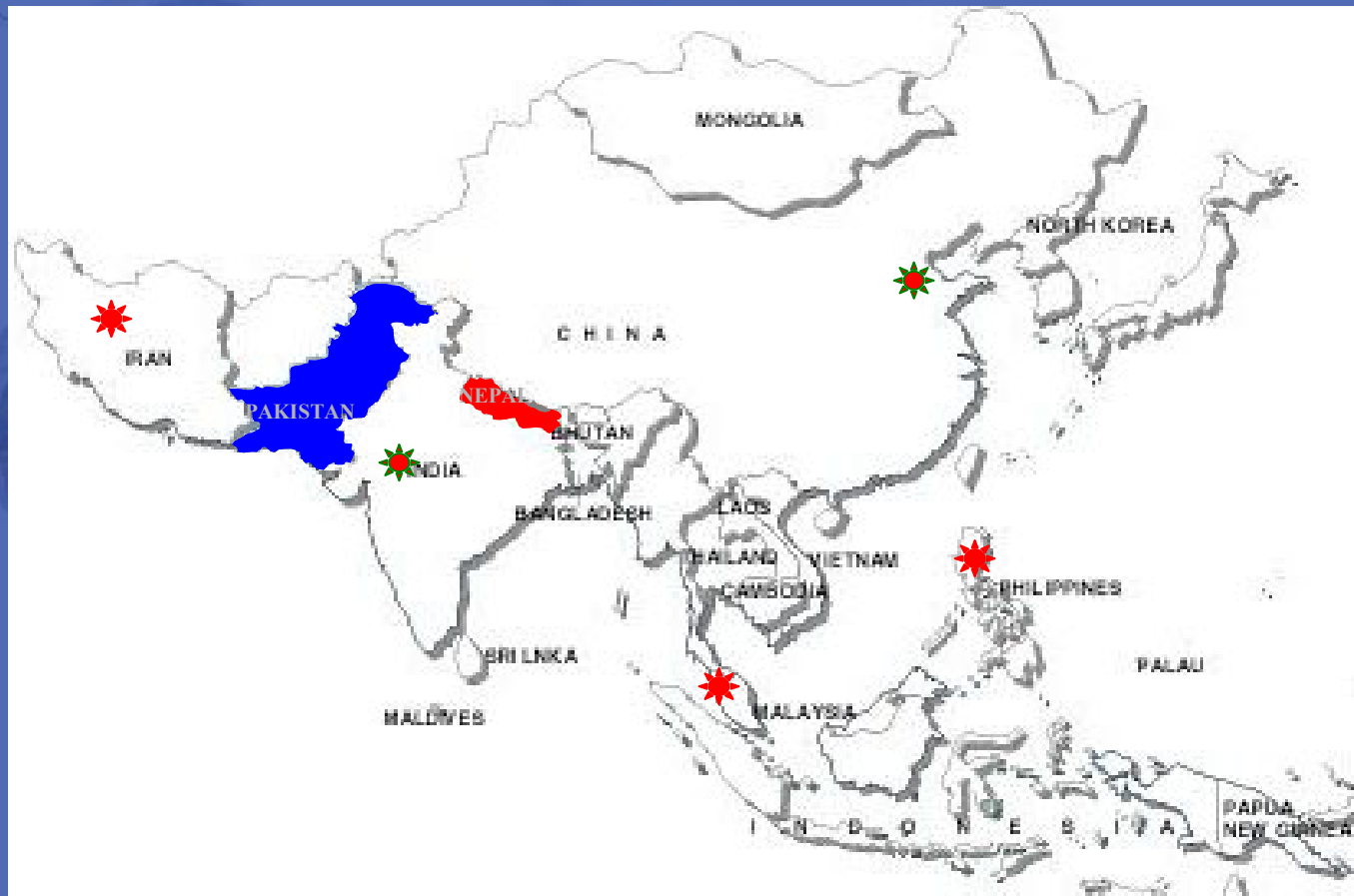
# Promoting Environmentally Sustainable Transport

\$23.8 mill GEF /UNDP

*Approved old Projects*



*Pipeline Projects*

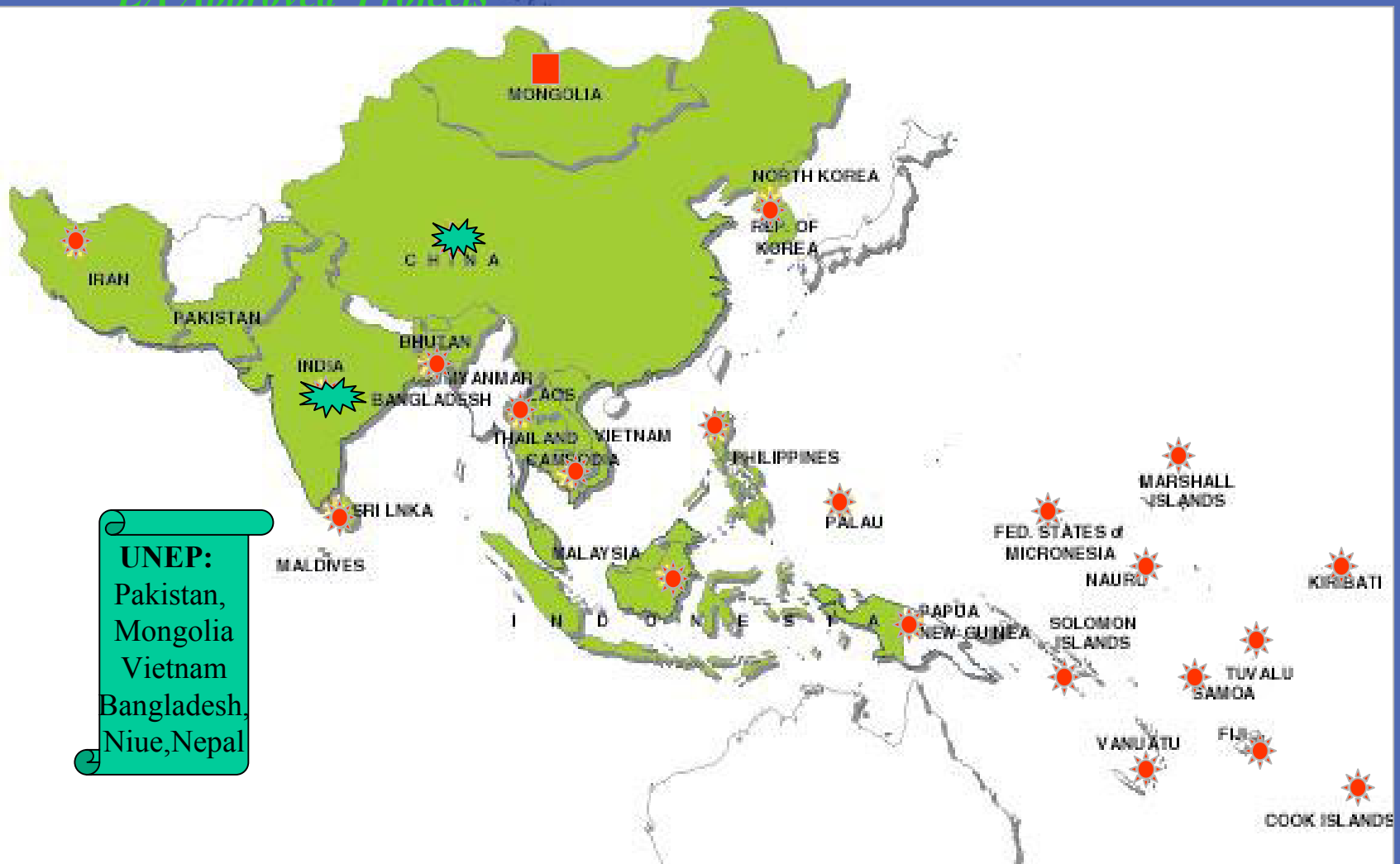




# Climate Change Enabling Activities & Tech Transfer needs with UNDP/GEF in support of National Communication ( 25 countries)

*EA Approved Projects*

*\*EA Projects (Top-Ups on going/eligible)*



# NCSA & Adaptation measures

- National Capacity self assessment ( NCSA )
- NAPAs: National Adaptation Program (LDCs in the region )
- APF : Adaptation Policy Framework

# UNDP and Its Role in the Clean Development Mechanism (CDM)

- **UNDP's Role has been and will continue to focus on capacity development, helping to promote CDM as a tool for greater investments in sustainable development:**
  - **Human resource capacity:** focus on training national personnel in "hands-on" project identification, preparation, and financial facilitation
  - **Institutional capacity:** focus on helping create transparent governance mechanisms
  - **Systemic capacity:** focus on helping systems in developing countries function well

# UNDP Experiences to Date with CDM (I)

- **Norwegian-sponsored project: 1998-2000**
  - Focused on project identification in Bulgaria (Joint implementation); Peru; and Philippines
  - Found some promising projects in each case
  - Experience of screening projects requires time, patience, and capacity strengthening
  - Transparent institutional framework is essential to hold down transaction costs

# **UNDP Experiences to Date with CDM (II)**

- **World Business Council for Sustainable Development Project (WBCSD)**
  - Focused on Brazil and South Africa
  - Identified several model projects
  - Identified the need to ensure that CDM projects are viewed as Sustainable Development Projects and can be approved by national governments as such through public-private partnerships

# UNDP Future Directions under CDM

- Focused Pilot Program with limited number of countries
- Direct attention to developing capacity—without capacity development, investments will not happen
- Help country teams identify, evaluate, prepare and obtain investments for CDM projects
- May work more on biomass-related methane projects, as cost-effectiveness is clearly shown ( $UAC < \$5/\text{ton of CO}_2$ )
  - China Landfill Gas project, India, Malaysia biomethanation projects, Thailand biomass,



# **Conclusion: UNDP and Climate Change Mitigation**

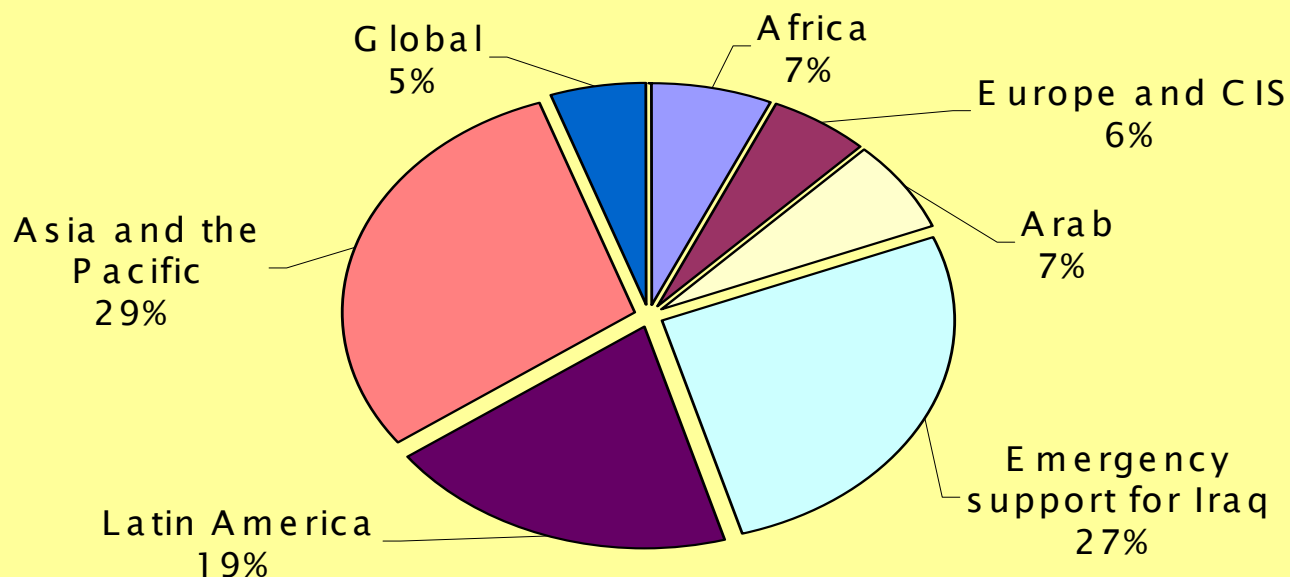
- **UNDP has considerable experience in preparatory activities for climate-change mitigation projects**
  - Not simple, straightforward projects
  - Require considerable technical assistance and
  - Capacity Development
  - Range of financial mechanism for market penetration and long term sustainability
  - Identify and help introduce “smart –subsidy”
  - Direct benefit from cross project learning and experience sharing

# UNDP Energy Activities share in Asia and the Pacific

**R e g i o n a l D i s t r i b u t i o n O f R e s o u r c e s f o r E n e r g y a n d C l i m a t e C h a n g e R e l a t e d P r o j e c t s .**

**1991 to 2000**

**T o t a l : U S \$ 1 , 1 9 0 m i l l i o n .**



## More Information

Information on the activities of UNDP in  
Climate Change & sustainable energy  
can be found at:

[www.undp.org/gef](http://www.undp.org/gef)

[www.undp.org/seed/eap](http://www.undp.org/seed/eap)

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