



Regional: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance

Project Name	Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance												
Project Number	47286-001												
Country	Regional												
Project Status	Active												
Project Type / Modality of Assistance	Technical Assistance												
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 750,000.00</td> </tr> <tr> <td colspan="2">TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance (Supplementary)</td> </tr> <tr> <td>Climate Change Fund</td> <td>US\$ 237,500.00</td> </tr> <tr> <td colspan="2">TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance</td> </tr> <tr> <td>Nordic Development Fund</td> <td>US\$ 500,000.00</td> </tr> </table>	TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance		Technical Assistance Special Fund	US\$ 750,000.00	TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance (Supplementary)		Climate Change Fund	US\$ 237,500.00	TA 8606-REG: Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance		Nordic Development Fund	US\$ 500,000.00
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration												
Drivers of Change	Governance and capacity development Knowledge solutions												
Sector / Subsector	Public sector management - Economic affairs management - Public expenditure and fiscal management												
Gender Equity and Mainstreaming	Some gender elements												
Description	The TA is being implemented by ADB's Climate Change and Disaster Risk Management Division (SDCD) and seeks to help build the capacity of ADB developing member countries (DMCs) to access critical financing for scaling up climate change actions. In its current form, the technical assistance (TA) aims to help 2-3 ADB DMCs to develop the capacity to identify priority investment projects that mitigate climate change and/or support adaptation to climate change, while creating sustainable development co-benefits. These priority investment projects may qualify for support through bilateral climate finance and international climate finance mechanisms such as the Green Climate Fund (GCF) and financing for nationally appropriate mitigation actions, in addition to multilateral development bank financing and private sector finance. The TA will help DMCs to conceptualize financing strategies for these investments, identify capacity gaps and barriers that impede the flow of climate finance, and raise awareness. The TA also aims to help identify new opportunities for scaling up climate investments, which is particularly timely given ADB's recent (September 2015) commitment to double climate financing to \$6 billion annually by 2020.												

Project Rationale and Linkage to Country/Regional Strategy	<p>Given the need of DMCs to undertake massive additional investments to transition to a low-carbon and climate-resilient development path on one hand, and the emergence of new climate finance mechanisms such as the GCF (which is set to deliver a substantial amount of additional climate finance by 2020) on the other, ADB will face increasing demands for assistance with regard to climate-related investment, including those supported by international climate finance. Aside from upgrading its own support mitigation and adaptation initiatives in DMCs, ADB will be called on to help enhance DMC readiness for scaled up climate finance, including multilateral, bilateral, and private sector sources.</p> <p>Although all DMCs have different mechanisms, processes, and capacity in place that can be built on, many will require targeted assistance to derive maximum benefit from the evolving global climate finance architecture. DMC demands for TA, including to ADB, are expected to increase in both number and complexity in the coming years. Demand for investment in low-carbon, climate-resilient infrastructure sectors in DMCs by multilateral, bilateral, and private sector climate finance sources will also grow. DMCs must develop strategic approaches to engage with the new and evolving international climate finance mechanisms. They must also help to increase investment in low-carbon, climate-resilient infrastructure, including through the domestic private sector. Given the volume of investment needed and the limitations of public funds, both in DMCs and in developed donor countries, the role of the private sector is crucial.</p> <p>Policy frameworks, institutional capacity, and technical skills must be strengthened at national, subnational, and local levels for ADB DMCs to enhance their readiness for scaled up climate finance and to improve their ability to plan, budget, deliver, and conduct monitoring, reporting, and verification of climate outcomes and climate finance.</p>
Impact	Greater flow of international climate finance to selected DMCs

Project Outcome

Description of Outcome	Increased awareness and enhanced capacity of selected DMCs in accessing international climate finance for low-carbon, climate resilient infrastructure projects, including through ADB
Progress Toward Outcome	On 31 July 2015, ADB submitted its first proposal to the GCF, a \$31 million adaptation grant for the proposed Fiji Urban Water Supply and Wastewater Management Project. Recently, the TA supported the organization of a consultation meeting between GCF, the government of Fiji, and ADB at GCF headquarters in Songdo, Republic of Korea, on the project design and GCF application. The TA is identifying further infrastructure projects from DMCs.

Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> Assessment of opportunities for new and scaled-up ADB climate finance operations Country report for every DMC targeted in the TA (3-4) with the following key contents: <ul style="list-style-type: none"> -A portfolio of 2-3 priority low-carbon, climate resilient infrastructure investment projects with the potential to access international climate finance and MDB financing, with private sector participation -strategies and recommendations to (i) enhance participation in climate finance mechanisms; (ii) improve climate finance delivery systems and scale up private sector investments;(iii) address gaps in institutional or technical capacity Organization of workshops to disseminate key findings of country studies
Status of Implementation Progress (Outputs, Activities, and Issues)	<ol style="list-style-type: none"> The TA has been supporting the formulation of a proposal for the establishment of a multi-donor _Asia-Pacific Climate Finance Fund_ (ACliFF). ACliFF is intended to leverage public and private sector investment in climate change mitigation and adaptation in support of the goals of the COP 21 Paris Agreement through the development of financial risk management products. It will be a first-of-a-kind platform designed to develop risk products to address the specific investment barriers facing climate projects in Asia-Pacific. These products can include energy savings guarantees and climate risk insurance . An initial \$100 million of financing is targeted for ACliFF. On this basis, ACliFF will seek to _crowd-in' up to \$500 million from other sources of funding. ACliFF was launched on May 6, 2017. Pending parliamentary approval, Germany will make a first contribution of up to EUR 30 million to ACliFF in 2017. Based on discussions with regional departments, the TA has identified Bangladesh, Myanmar, and Fiji as its initial target DMCs. Following the accreditation of ADB by the GCF in March 2015, the TA has initiated activities in the named countries. The TA will organize a national workshop in each of the targeted DMCs to present the results of the DMC studies produced under Output 2 to DMC stakeholders from the public and private sector, civil society, and development partners who would be instrumental for implementation of the identified priority investment projects. A regional workshop at ADB will be held to present the results of the DMC studies to representatives of other DMCs and potential financing and implementation partners.
Geographical Location	

Summary of Environmental and Social Aspects

Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	

During Project Design	The proposed TA design has been discussed informally with a range of DMC representatives bilaterally as well as at various regional and international forums. The TA concept has also been discussed informally in the context of ADB involvement with the Green Climate Fund, during which a number of DMCs have expressed interest in ADB assistance for identifying projects that could conceivably access the Green Climate Fund and in enhancing DMC _readiness_ for up-scaled climate finance. ADB support to enhance DMC _readiness_ has also been highlighted in conversations with possible donor countries, including the Republic of Korea.
During Project Implementation	On 24 February 2016, the TA was extended until 31 December 2016 and an additional funding of US\$237,500 from ADB's Climate Change Fund (CCF) was approved to expand coverage of Output 1 and to support the development of new conceptual proposals and further the development of existing conceptual proposals for new and scaled up finance operations. On 17 March 2016, supplementary financing of US\$500,000 from the Nordic Development Fund (NDF) was confirmed. See Attachment 2. The supplementary financing will support parts of Outputs 2 and 3 of the TA and to increase coverage from 2-3 developing member countries (DMCs) to 4-5 DMCs. For Output 1 , NDF also agreed to provide in-kind support for the development of 2 conceptual proposals.

Business Opportunities

Consulting Services	<p>International consulting inputs- 20 person-months</p> <ol style="list-style-type: none"> 1. Senior climate change specialist and team leader (13 person-months). The consultant will have at least a master's degree in economics, environmental science, or a related discipline, and 15 years of experience related to environment and climate change. Knowledge of ADB and experience in Asia and the Pacific are highly desirable. 2. Senior finance specialist (2 person-months, intermittent). The consultant will have at least a master's degree in finance, economics, business administration, or a related discipline, and 15 years of experience related to private sector infrastructure investment in developing countries. Knowledge of ADB private sector operations and experience in Asia and the Pacific are highly desirable. 3. Climate change adaptation finance specialist (2 person-months, intermittent). The consultant will have at least a master's degree in economics, environmental science, or a related discipline, and 10 years of experience with climate adaptation issues in developing countries. Knowledge of ADB operations and experience in Asia and the Pacific are highly desirable. 4. Public policy and finance management specialist (3 person-months, intermittent). The consultant will have at least a master's degree in economics, public finance management, public policy, or a related discipline, and 10 years of experience with public finance management issues in developing countries in Asia and the Pacific. Specific knowledge and work experience in one or more of the targeted DMCs is highly desirable, as is knowledge of climate finance. Knowledge of ADB operations is desirable. <p>National consulting inputs-40 person-months</p> <ol style="list-style-type: none"> 1. Project coordinator (12 person-months, intermittent). The consultant will have at least 10 years of experience in project administration and at least a bachelor's degree in a related discipline. Experience with ADB is highly desirable. 2. Climate policy and finance specialists (28 person-months, intermittent). National consultants will be hired on a flexible basis through independent recruitment to support the team leader in the implementation of activities in selected DMCs under outputs 2 and 3. National consultants will be hired in each selected DMC. The consultants will have at least 10 years' experience in climate policy and finance, working experience in the selected DMCs, relevant sector expertise, including in sectors such as energy, transport, urban development, agriculture, and water and sanitation, and a master's degree in a related discipline. Experience with ADB is highly desirable.
Procurement	<p>The TA will finance consulting services, workshops, and report preparation. Consulting services totaling 60 person-months (20 international and 40 national) will be required. The TA will initially engage five consultants: (i) senior climate change specialist and team leader (13 person-months, international); (ii) senior finance specialist (2 person-months, international); (iii) climate change adaptation finance specialist (2 person-months, international); (iv) public policy and finance management specialist (3 person-months, international); and (v) regional project coordinator (12 person-months, national). Additionally, the costs for services of climate policy and finance consultants (28 person-months, national) are also budgeted. The positions will be recruited on a demand basis to respond flexibly to the outcome of discussions within ADB and with DMCs and other stakeholders.</p> <p>Consultants will be engaged on an individual basis following ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). Individual consultant selection is proposed as the project is designed to respond to specific requests from regional departments for advisory services and studies, which will be identified based on project selection criteria during project implementation.</p>

Responsible Staff

Responsible ADB Officer	Rattinger, Michael
Responsible ADB Department	SDTC

Responsible ADB Division

SDCD

Executing Agencies

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Timetable

Concept Clearance	04 Dec 2013
Fact Finding	-
MRM	-
Approval	20 Dec 2013
Last Review Mission	-
Last PDS Update	12 May 2017

TA 8606-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
20 Dec 2013	-	20 Dec 2013	31 Jan 2016	31 Dec 2017	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
987,500.00	500,000.00	0.00	0.00	0.00	0.00	1,487,500.00	20 Dec 2013	499,135.29

Project Page <https://www.adb.org/projects/47286-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=47286-001>

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