

Climate Financing in Asia and the Pacific

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Trends in Asia...

- ADB hosting Asia Clean Energy Forum this week: 600+ attending, shows it is a very dynamic sector!
- Large & small investments: renewables & energy efficiency
- Private sector financing, but national policies, CDM, public investments as important catalysts
- ADB invested \$2.1 billion last year in clean energy
- “Mitigation” investments driven by other business and policy goals: productivity and efficiency, energy security, FX savings, better air quality and public transport...
- New carbon markets: Australia, Rep. Korea, China, India...
- ADB analysis of coastal megacities, climate-induced migration, new impact scenarios consortium
- Low adaptation financing relative to needs, but on the political rise with events like the recent Bangkok flood

Looking Ahead...

■ Climate Finance

- Develop and explain a clear path to \$100B/year mobilization, which should not be difficult given private sector trends
- Do not - crowd out the private sector, in Asia it is moving well
- Do - address key barriers, such as weak policies or need for upstream financing of promising new technologies

■ Mitigation

- China & India, but also middle income countries like Indonesia
- Build on non-climate goals (co-benefits), e.g. energy security
- Follow and facilitate private sector financing with innovations
- Expand domestic & regional carbon markets, & targeted REDD+

■ Adaptation

- With insufficient funding, target interventions carefully
- Protect the most vulnerable populations and infrastructure
- Find how to engage the private sector (beyond insurance industry)
- Consider creating climate-induced disaster response fund(s)

Thank you

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