



# Technical Assistance Report

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**PUBLIC**

Project Number: 56025-001  
Knowledge and Support Technical Assistance (KSTA)  
July 2022

## Delivering a Climate Change Strategy for Central and West Asia

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Asian Development Bank

## ABBREVIATIONS

|      |   |  |
|------|---|--|
| ADB  | – | Asian Development Bank                                   |
| CWER | – | Environment, Natural Resources, and Agriculture Division |
| CWRD | – | Central and West Asia Department                         |
| DMC  | – | developing member country                                |
| GDP  | – | gross domestic product                                   |
| GHG  | – | greenhouse gas   |
| NDC  | – | nationally determined contribution                       |
| OP   | – | operational priority                                     |
| SDG  | – | Sustainable Development Goal                             |
| TA   | – | technical assistance                                     |

## GLOSSARY

|                                    |   |  |
|------------------------------------|---|--|
| adaptation                         | – | adjustment in natural or human systems in response to actual or expected climate stimuli or their effects, which moderates harm or exploits beneficial opportunities   |
| climate finance                    | – | refers to local, national, or transnational financing—drawn from public, private, and alternative sources of financing—that seeks to support mitigation and adaptation actions that will address climate change                            |
| long-term strategy                 | – | strategies that set out long-term goals (i.e., 2050/2060) for climate and development and direct short-term decision-making to support the shifts necessary to limit global warming and lift people out of poverty                         |
| mitigation                         | – | efforts to reduce emissions and enhance carbon sinks   |
| national adaptation plan process   | – | processes that enhance government processes and decision-making by integrating climate risk and priority adaptation actions into development plans and budgets   |
| nationally determined contribution | – | countries' post-2020 climate actions (i.e., up to 2030) to reduce national emissions and adapt to the impacts of climate change, which is submitted to the United Nations Framework Convention on Climate Change and updated every 5 years |
| Paris Agreement alignment          | – | a joint accounting approach developed by multilateral development banks for climate finance that ensures consistency with a pathway toward low greenhouse gas emissions and climate-resilient development                                  |
| transformative investments         | – | strategic investments with large-scale, sustainable impacts that shift and/or accelerate the trajectory toward low-carbon and climate-resilient development  |
| Type 2 adaptation                  | – | projects that explicitly support climate resilience outcomes   |

## NOTE

In this report, “\$” refers to United States dollars.

|                                |  |
|--------------------------------|--|
| <b>Vice-President</b>          | Shixin Chen, Operations 1  |
| <b>Director General</b>        | Eugene Zhukov, Central and West Asia Department (CWRD)   |
| <b>Deputy Director General</b> | Nianshan Zhang, CWRD   |
| <b>Director</b>                | Yasmin Siddiqi, Environment, Natural Resources, and Agriculture Division (CWER), CWRD  |
| <b>Team leader</b>             | Malte Maass, Climate Change Specialist, Climate Change and Disaster Risk Management Division, Sustainable Development and Climate Change Department <sup>a</sup> |
| <b>Team members</b>            | Safiullah Asifi, Senior Operations Assistant, Afghanistan Resident Mission, CWRD <sup>a</sup>  |
|                                | Suzanne Barbin, Senior Project Officer, CWER, CWRD   |
|                                | Kathleen Anne Coballes, Climate Change Officer, CWER, CWRD   |
|                                | Nathan Rive, Senior Climate Change Specialist, CWER, CWRD  |
|                                | Kristine Joy Villagracia, Senior Operations Assistant, CWER, CWRD  |
|                                | Mary Claribel Villarico; Senior Portfolio Management Officer; Portfolio, Results, Safeguards, and Gender Unit; CWRD  |

<sup>a</sup> Assigned to CWER.

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## KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

|  |  |  |
|--|--|--|
| <b>1. Basic Data</b>   |  | <b>Project Number:</b> 56025-001               |
| <b>Project Name</b>  | Delivering a Climate Change Strategy for Central and West Asia | <b>Department/Division</b> CWRD/CWER           |
| <b>Nature of Activity Modality</b>   | Capacity Development, Policy Advice Regular                    | <b>Executing Agency</b> Asian Development Bank |
| <b>Country</b>   | REG (ARM, AZE, GEO, KAZ, KGZ, PAK, TAJ, TKM, UZB)              |  |
| <b>2. Sector</b>   | <b>Subsector(s)</b>  | <b>ADB Financing (\$ million)</b>              |
| Agriculture, natural resources and rural development   | Agricultural policy, institutional and capacity development    | 0.375  |
|  | Water-based natural resources management                       | 0.375  |
| Education  | Education sector development - social protection initiatives   | 0.375  |
| Energy   | Energy sector development and institutional reform             | 0.375  |
| Health   | Health sector development and reform                           | 0.375  |
| Public sector management   | Public administration  | 0.375  |
| Transport  | Transport policies and institutional development               | 0.375  |
| Water and other urban infrastructure and services  | Urban policy, institutional and capacity development           | 0.375  |
|  | <b>Total</b>   | <b>3.000</b>                                   |
| <b>3. Operational Priorities</b>   |  | <b>Climate Change Information</b>              |
| ✓ OP2: Accelerating progress in gender equality  |  | GHG Reductions (tons per annum) 0              |
| ✓ OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability |  | Climate Change impact on the Project Low       |
| ✓ OP7: Fostering regional cooperation and integration  |  | <b>ADB Financing</b>                           |
|  |  | Adaptation (\$ million) 1.500                  |
|  |  | Mitigation (\$ million) 1.500                  |
|  |  | <b>Cofinancing</b>                             |
|  |  | Adaptation (\$ million) 0.000                  |
|  |  | Mitigation (\$ million) 0.000                  |
| <b>Sustainable Development Goals</b>   |  | <b>Gender Equity and Mainstreaming</b>         |
| SDG 1.5  |  | Effective gender mainstreaming (EGM) ✓         |
| SDG 2.4  |  |  |
| SDG 5.5  |  |  |
| SDG 6.5  |  |  |
| SDG 13.a   |  |  |
|  |  | <b>Poverty Targeting</b>                       |
|  |  | General Intervention on Poverty ✓              |
| <b>4. Risk Categorization</b>  | Complex  |  |
| <b>5. Safeguard Categorization</b>   | Safeguard Policy Statement does not apply                      |  |
| <b>6. Financing</b>  |  |  |
| <b>Modality and Sources</b>  |  | <b>Amount (\$ million)</b>                     |
| <b>ADB</b>   |  | <b>3.000</b>                                   |
| Knowledge and Support technical assistance: Technical Assistance Special Fund  |  | 3.000  |
| <b>Cofinancing</b>   |  | <b>0.000</b>                                   |
| None   |  | 0.000  |
| <b>Counterpart</b>   |  | <b>0.000</b>                                   |
| None   |  | 0.000  |
| <b>Total</b>   |  | <b>3.000</b>                                   |
| <b>Currency of ADB Financing:</b> US Dollar  |  |  |

## I. INTRODUCTION

1. The knowledge and support technical assistance (TA) for Delivering a Climate Change Strategy for Central and West Asia will support the development of knowledge solutions for developing member countries (DMCs) covered by the Central and West Asia Department (CWRD) of the Asian Development Bank (ADB). It will include the delivery of a climate change strategy and action plan for CWRD to strengthen the integration of climate change in ADB-financed interventions in regional DMCs.<sup>1</sup> The TA will contribute to the preparation of robust climate mitigation and adaptation projects or programs, which will be aligned with the Paris Agreement and responsive to the climate change priorities of CWRD DMCs.<sup>2</sup> The TA will also strengthen the capacities of DMCs and ADB staff in CWRD.

2. The TA is aligned with the ADB Strategy 2030 operational priority (OP) 3 on tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability.<sup>3</sup> The TA will also contribute to OP2 on accelerating progress in gender equality and OP7 on fostering regional cooperation and integration. The TA is aligned with the ADB Climate Change Operational Framework, 2017–2030.<sup>4</sup> It will support CWRD DMCs to achieve their climate priorities, as communicated in the nationally determined contributions (NDCs). It will also contribute to Sustainable Development Goal (SDG) 13 on climate action and SDG 5 on gender equality.<sup>5</sup>

## II. ISSUES

3. **Global climate impacts.** Climate change is a major global challenge. With 1.1°C of warming since pre-industrial (1850–1900) levels, many regions are already negatively affected, and experiencing a significant increase in the number, intensity, and impacts of extreme weather events. These include floods, droughts, water scarcity, and heat waves. More severe impacts are expected.<sup>6</sup> About 2 billion people (or one-quarter of the global population) are poor or near poor and are more likely to be impacted by climate change. By 2030, it is estimated that more than 100 million people could fall into extreme poverty because of climate change. About 200 million people could be displaced because of extreme weather and more frequent and severe natural hazards.<sup>7</sup> Women are disproportionately affected by climate change as they do not have equal access to knowledge and productive assets. They also have limited roles in decision-making processes.

4. **Fragile ecosystems vulnerable to climate change.** The Central and West Asia region, comprising about 350 million people, faces increasing vulnerability to climate change. Warmer

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<sup>1</sup> ADB placed on hold its assistance to Afghanistan effective 15 August 2021. ADB. 2021. [ADB Statement on Afghanistan](#). News release. 10 November. The TA will cover Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan.

<sup>2</sup> The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 parties at the 21st Conference of the Parties in Paris (including all ADB DMCs).

<sup>3</sup> ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila. The TA first appeared in the business opportunities section of ADB's website on 23 June 2022.

<sup>4</sup> ADB. 2017. [Climate Change Operational Framework 2017–2030: Enhanced Actions for Low Greenhouse Gas Emissions and Climate-Resilient Development](#). Manila.

<sup>5</sup> The TA will also indirectly contribute to SDGs 1, 2, 3, 4, 7, 9, 10, 11, and 12.

<sup>6</sup> Intergovernmental Panel on Climate Change. 2021. Summary for Policymakers. In [Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change](#). Cambridge and New York: Cambridge University Press.

<sup>7</sup> K. Khoday and W. Ali. 2018. [Climate Change and the Rise of Poverty](#). United Nations Development Programme Blog. 19 December.

temperatures and more unpredictable weather patterns could disrupt fragile ecosystems and resource-dependent economies in the region. Climate change is expected to exacerbate current stresses on water resources created by population growth, and economic and land-use change.<sup>8</sup> Changes in the river flows of major river basins like the Amu Darya and Syr Darya will affect water supply in several countries in the region. Sea level rise will result in coastal flooding and erosion, which will affect coastal areas in countries such as Georgia and Pakistan. These threats place the achievement of development goals in CWRD DMCs at risk. Without adaptation actions, there will be a progressive increase in economic losses and a reduction in the ability of communities to move out of poverty. The economic impact from droughts and floods in Central and West Asia could reach 1.3% of regional gross domestic product (GDP) per year if no actions are taken against climate change.<sup>9</sup> Investing \$1.8 trillion globally in climate change adaptation from 2020 to 2030 could produce \$7.1 trillion in total net benefits.<sup>10</sup>

5. **Energy-intensive economies.** The Central and West Asia region hosts some of the most energy-intensive economies,<sup>11</sup> which include Azerbaijan, Kazakhstan, Turkmenistan, and Uzbekistan.<sup>12</sup> Fossil fuels dominate energy production and use in the region. This is reflected in electricity generation in the region, which primarily comprises fossil fuel energy sources. Hydropower contributes no more than 12% of the fuel composition. Azerbaijan (with significant oil and natural gas resources) and Kazakhstan (with major oil and gas reserves, abundant coal, and other mineral resources) have demonstrated strong economic growth since 2010. From 2000 to 2010, real GDP grew by 400% in Azerbaijan and 220% in Kazakhstan.<sup>13</sup> Industry and services account for more than 80% of GDP in these countries, demonstrating reliance on energy. In the absence of climate policy interventions, the increasing demand for carbon-intensive energy, driven by population and income growth, is expected to lead to a continued rise in greenhouse gas (GHG) emissions in the coming decades (footnote 12).

6. **Limited capacity to translate climate ambition.** Many CWRD DMCs have submitted updated NDCs,<sup>14</sup> and announced carbon neutrality and a transition to a green economy at the 26th United Nations Climate Change Conference of the Parties in November 2021.<sup>15</sup> However, these DMCs face considerable capacity challenges in operationalizing these commitments and transitioning to a climate-resilient and low-carbon development pathway.<sup>16</sup> The NDCs are broad and often not supported by dedicated projects and investment pipelines. Sector agencies lack awareness and the technical capacity to develop integrated and innovative projects to implement national climate commitments. The DMCs' capacities need to be strengthened to effectively translate adaptation and mitigation ambitions into sector-specific development planning.

7. **Institutional fragmentation.** Climate change is the responsibility of the environment and climate change ministries in many DMCs. This often leads to (i) concentrated technical climate expertise in a few designated agencies, and (ii) fragmented and limited prioritization and ownership of climate actions across governments. Effective mainstreaming of the climate change

<sup>8</sup> M. Punkari, et.al. 2014. [Climate Change and Sustainable Water Management in Central Asia](#). ADB Central and West Asia Working Paper Series. No. 5. Manila: ADB.

<sup>9</sup> World Bank. 2021. [Climate Change in Europe and Central Asia](#). Brief.

<sup>10</sup> Global Commission on Adaptation. 2019. [Adapt Now: A Global Call for Leadership on Climate Resilience](#). Washington, DC: World Resources Institute.

<sup>11</sup> A. Bjerde. 2021. [Envisioning Central Asia's Green Recovery](#). World Bank. Opinion. 1 July.

<sup>12</sup> N. Doi and T. Matsumoto. 2010. [Energy Outlook in Central and West Asia](#). Tokyo: The Institute of Energy Economics, Japan.

<sup>13</sup> ADB. 2017. [Economics of Climate Change Mitigation in Central and West Asia](#). Manila.

<sup>14</sup> United Nations Framework Convention on Climate Change. [NDC Registry](#) (accessed 23 February 2022).

<sup>15</sup> United Nations Framework Convention on Climate Change. [COP 26 Speeches and Statements](#).

<sup>16</sup> United Nations. [Sustainable Development Goals Knowledge Platform: Capacity Building](#).

agenda requires more comprehensive actions by governments to involve all key agencies, including the ministries of finance, planning and economic development, and sector agencies (e.g., agriculture, education, energy, health, transport, urban, water resources, and disaster management).<sup>17</sup>

8. **Financing constraints.** DMCs are challenged by limited financing for capital-intensive climate actions toward low-carbon and climate-resilient development pathways. Most of the financing identified in the NDCs remains contingent on the support of external sources, including international financial institutions and the private sector, to bridge the financing gaps. Support from international development partners such as ADB will increase the financial resources of DMCs for climate change mitigation and adaptation measures. ADB has pledged 75% of its committed operations to support climate change mitigation and adaptation by 2030 (footnote 3). ADB committed to deliver \$100 billion for climate finance from its own resources cumulatively from 2019 to 2030.<sup>18</sup> This will include increasing investments in climate change adaptation and resilience, with cumulative financing of \$34 billion over the same period. ADB aims to achieve full Paris Agreement alignment of its new sovereign operations by 1 July 2023 and nonsovereign operations by 1 July 2025.<sup>19</sup>

9. **Climate-inclusive and strategic programming of investment.** The key challenges for systematic climate change mainstreaming in the region are (i) insufficient information on climate change impacts, (ii) limited technical capacity of DMCs and CWRD staff to integrate climate aspects into project designs, (iii) lack of identification of entry points for climate investments across sectors and modalities, and (iv) generally weak buy-in of DMC sector agencies for specific climate actions because of insufficient awareness of the impacts of climate change and the opportunities presented by the transition toward low carbon emission and climate-resilient economies.<sup>20</sup> ADB's country partnership strategies require further alignment with climate change actions. Recent country partnership strategies for the CWRD region identified climate change as an important area of support. However, there is no strategic inclusion of climate change operations in the related country pipelines.

10. More upstream climate assessments are required to direct DMCs to increase the climate relevance of projects, ensure alignment with the Paris Agreement, and develop more mitigation and adaptation investments predicated on climate outcomes. Adaptation requires an expansion to "nontraditional" sectors (e.g., health, social protection, and public finance) and the creation of more opportunities for private sector investments. Predictable climate finance increases will need to maintain a balance in terms of the number of projects supporting climate action and climate finance across sectors. The aggregated efforts will contribute to supporting CWRD DMCs to achieve their climate change priorities and reach ADB's corporate climate ambitions.

11. Linking ADB investments with the climate priorities of its DMCs will require a coherent strategy, increased climate capacity of DMC officials and CWRD, and enhanced technical support for all sectors (footnote 20).

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<sup>17</sup> United Nations Economic and Social Commission for Asia and the Pacific, United Nations Environment Programme, and The Greenwerk. [Progress of NDC Implementation in Asia-Pacific: Methodological Framework and Preliminary Findings](#). *Environment and Development Technical Paper*.

<sup>18</sup> ADB. 2021. [ADB Raises 2019–2030 Climate Finance Ambition to \\$100 Billion](#). News release. 13 October.

<sup>19</sup> ADB. 2021. [ADB Commits to Full Alignment with Paris Agreement](#). News release. 8 July.

<sup>20</sup> Independent Evaluation Department. 2021. [Thematic Evaluation: ADB Support for Action on Climate Change, 2011–2020](#). Manila: ADB.

### III. THE TECHNICAL ASSISTANCE

#### A. Impact and Outcome

12. The TA is aligned with the following impact: low-carbon development and climate resilience in CWRD region advanced.<sup>21</sup> The TA will have the following outcome: climate change strategy for CWRD DMCs operationalized.<sup>22</sup> It has three outputs supporting activities related to strategy and action plan development, upstream assessment, investment programming, and capacity building in CWRD DMCs.

#### B. Outputs, Methods, and Activities

13. **Output 1: Climate change strategy including action plan for Central and West Asia Department developing member countries finalized.** This output will develop a regional climate change strategy to guide CWRD DMCs in mainstreaming climate actions in investment pipeline development. The strategy is envisioned to include (i) an assessment of the CWRD DMCs' climate context, including their climate vulnerabilities and climate-induced disaster risk (with a focus on vulnerable groups and women), mitigation profile, and climate priorities; (ii) an analysis of ADB-financed investments in the CWRD DMCs, and future requirements to ensure to building resilience and transitioning to low-carbon development; (iii) an assessment of ADB's climate-related business processes for climate investment identification,<sup>23</sup> (iv) gender-sensitive sector plans identifying scaled-up climate investments in DMCs to build resilience and transition to low-carbon development; and (v) an action plan with targets, adaptation and mitigation pathways, gender considerations, priority strategies, key activities, timelines, and resource requirements.

14. The TA will also formulate a regional communication and stakeholder engagement plan disseminate climate narratives and engage with external stakeholders. The plan will include government agencies, the business sector, and civil society organizations in DMCs. Gender considerations (e.g., gender assessment) will be mainstreamed in all activities and integrated in the documents to be developed under this output.

15. **Output 2: Upstream climate assessments and opportunities for scaled up climate finance in key sectors supported.** This output will focus on conducting upstream climate assessments for selected DMCs and relevant sectors and/or subsectors assessments will identify opportunities to expand climate actions. The DMCs and relevant sectors and/or subsectors will be identified by the TA team in consultation with ADB sector divisions and resident missions. They will be prioritized using criteria to be developed in the initial phase of the TA project's implementation.<sup>24</sup> Upstream assessment will be country- and sector-specific analyses related to (i) climate impacts and adaptation options; (ii) GHG emissions and mitigation options; (iii) policy and/or governance status and needs in terms of NDCs, long-term low emissions development strategies, national adaptation plans, adaptation communications, the energy transition, and a just transition; and (iv) climate finance, with an emphasis on improving access to available

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<sup>21</sup> Defined by TA.

<sup>22</sup> The design and monitoring framework is in Appendix 1.

<sup>23</sup> Includes climate change screening, climate risk and vulnerability assessment, and reporting and monitoring tools.

<sup>24</sup> Criteria could include the DMC classification; the level of the climate impact and availability of relevant information; the level of climate awareness; policy preparedness (NDC, national adaptation plan, and green economy strategy); an effective programming process; political buy-in; trends of ADB support; emerging sectors for climate interventions and/or untapped sectors for climate interventions; and possible contribution to climate finance.

financing mechanisms,<sup>25</sup> and transforming the financial system to create a conducive environment for the private sector.

16. The TA will provide technical support to DMCs in developing climate-related investment pipelines. Pipeline development will be done in coordination with ADB sector divisions and resident missions to integrate climate aspects in existing and future investment pipelines. It will also ensure linkages to DMC climate priorities and alignment with the Paris Agreement. The aim is to develop investment pipelines and pre-concept notes for potential ADB or external financing, including the private sector. Mainstreaming climate considerations at the initial stage of project design will enable the development of projects that are based on mitigating GHG emissions and building climate resilience (e.g., Type 2 adaptation projects).<sup>26</sup>

17. **Output 3: Technical capacity to integrate climate considerations and priorities in investment programming strengthened.** To effectively mainstream climate change and ensure sustained interventions, the TA will provide capacity building and develop knowledge products (e.g., training modules). The aim is to increase technical capacities to mainstream climate change considerations in investment programming, and to build a shared understanding of key climate change concepts and their practical application in investment design and development. A training needs assessment for DMCs will also be undertaken under the TA to guide the development of gender-sensitive training materials, tailored to each audience.<sup>27</sup> Based on the training needs assessment, a series of capacity building events for DMC staff and officials will be conducted by the TA. Regional workshops will be conducted to share knowledge, experience, and best practices across DMCs in the region.

18. Under this output, national, interagency, and sector country dialogues with CWRD DMCs will be delivered by the TA. These will facilitate a shared understanding of the potential for climate action. They will be based on upstream assessments and guided by the DMCs' climate change priorities and development objectives. Innovative knowledge products and guidance materials on climate assessments, as well as entry points for climate investments and best practices, will also be prepared and disseminated.

19. **Innovation, lessons, and ADB's value addition.** The TA will contribute to increasing climate resilience and support the transition to low-carbon development of CWRD DMCs. It is consistent with ADB's Climate Change Operational Framework.<sup>28</sup> This will be realized through the provision of capacity building and technical support. The TA will also contribute to developing and implementing a climate change strategy for the region. It will guide CWRD and its DMCs in embedding climate change priorities into transformative climate investments.<sup>29</sup> It will provide a systematic approach to identify targets for ADB investments in the region and ensure that ADB investments in DMCs and sectors are fully aligned with the Paris Agreement. This will enhance ADB's responsiveness in addressing DMCs' climate priorities (i.e., in NDCs, national adaptation plans, long-term strategies, and SDG 13 commitments).

20. TA implementation will respond to the recommendations in the ADB Support for Action on Climate Change, 2011–2020 evaluation report (footnote 20). It will be closely coordinated with ADB's Sustainable Development and Climate Change Department and relevant ADB initiatives

<sup>25</sup> External funds such as the Green Climate Fund and resources from carbon pricing.

<sup>26</sup> Type 2 adaptation refers to projects that explicitly support climate resilience outcomes.

<sup>27</sup> This will build on training material developed in ADB and other development partners.

<sup>28</sup> ADB. 2017. *Climate Change Operational Framework 2017–2030: Enhanced Actions for Low Greenhouse Gas Emissions and Climate-Resilient Development*. Manila.

<sup>29</sup> Itad. 2019. *Evaluation of Transformational Change in the Climate Investment Funds*. Final Evaluation Report.

such as the climate change action plan. It will build on the outputs, capacity building, and knowledge products of sector-level support through the sector and thematic groups. The TA will also incorporate outputs from climate-specific TA support. This includes past and ongoing climate-related activities in CWRD DMCs, such as climate diagnostics and assessments, TA, sector action plans, investment programs, and finance mobilization strategy.<sup>30</sup>

### C. Cost and Financing

21. The TA financing amount is \$3.0 million, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (\$2.0 million TASF 7 and \$1.0 million TASF-other sources). The key expenditure items are listed in Appendix 2.

### D. Implementation Arrangements

22. ADB will administer the TA. The climate change team in the Environment, Natural Resources, and Agriculture Division (CWER) of CWRD will lead the overall implementation of the TA. CWER will closely coordinate with other CWRD sector divisions and resident missions through the climate focals' group.<sup>31</sup> CWER will select, supervise, and evaluate the consultants. The climate focals' group will be involved in the preparation of consultants' terms of reference, supervision of consultant activities, and review of consultants' outputs. It will also be consulted for other TA activities, including workshops and trainings. The TA will be implemented for 3.5 years from July 2022 to December 2025.

23. Implementation arrangements are summarized in the table.

**Implementation Arrangements**

| Aspects                          | Arrangements   |   |           |
|----------------------------------|--|---|-----------|
| Indicative implementation period | July 2022–December 2025  |   |           |
| Executing agency                 | ADB  |   |           |
| Implementing agencies            | Climate team in Environment, Natural Resources, and Agriculture Division, in close coordination with the climate focals' group of ADB's Central and West Asia Department |   |           |
| Consultants                      | To be selected and engaged by ADB  |   |           |
|                                  | Firm: Quality- and cost-based selection (90:10)  | Capacity building, communication, and climate strategy (48 person-months) | \$777,300 |
|                                  | Individual: ICS  | International (48 person-months)  | \$992,800 |
|                                  | Individual: ICS  | National (40 person-months)   | \$378,560 |
| Procurement                      | To be procured by consultants  |   |           |
|                                  | Request for quotations   | 4 contracts <sup>a</sup>  | \$40,000  |
| Disbursement                     | Disbursement of TA resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time).                                   |   |           |
| Asset turnover <sup>b</sup>      | Equipment to be procured under the TA will be handed over to target developing   |   |           |

<sup>30</sup> ADB. 2021. [NDC Advance: Accelerating Climate Actions in Asia and the Pacific](#). Manila; ADB. [Regional: Building Institutional Capacity: Delivering Climate Solutions under Operational Priority 3 of Strategy 2030](#); ADB. 2020. [Technical Assistance for Improved Decision-Making for Climate-Resilient Development in Asia and the Pacific](#). Manila; ADB. [Islamic Republic of Pakistan: Preparing Climate-Resilient Agriculture and Natural Resources Development Projects](#); ADB. [Republic of Tajikistan: Enhancing Climate Resilience in the Pyanj River Basin](#); and ADB. [Republic of Uzbekistan: Preparing the Climate Adaptive Water Resources Management in the Aral Sea Basin Project](#).

<sup>31</sup> The CWRD climate focals' group is comprised of representatives from each resident mission and sector divisions (including the Regional Cooperation and Operations Coordination Division; the Portfolio, Results, Safeguards, and Gender Unit; and the Client Solutions Team). Its main role is to support climate change-related work within their respective divisions, resident missions, and across the department.

| Aspects | Arrangements                         |
|---------|--------------------------------------|
|         | member countries upon TA completion. |

ADB = Asian Development Bank, ICS = individual consultant selection, TA = technical assistance.

<sup>a</sup> Number of package will be decided during implementation

<sup>b</sup> Equipment to be procured includes laptops, software, and digital materials and associated services. The target developing member countries will be identified using criteria to be developed in the initial phase of the TA project's implementation.

Source: Asian Development Bank.

24. ADB will engage the consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions.<sup>32</sup> A firm, as well as five international and four national individual consultants, will be engaged to implement the TA. The recruitment of individual consultants is required to secure specialists with specific qualifications for target sectors and/or subsectors. The CWER TA team will be responsible for overall coordination and supervision of the consultants, who will be recruited in two phases. The firm and the international senior climate change specialist (also the TA coordinator) will be recruited first. They will identify priority DMCs and sectors and/or subsectors and develop a detailed plan of activities in the identified sectors and/or subsectors and DMCs. The CWER TA team will supervise the firm and the international senior climate change specialist (also the TA coordinator). In the second phase, the remaining individual consultants will be recruited. The international senior sector climate change specialists will be engaged for sector-specific technical support. They will be supervised jointly by the CWER TA team and the respective sector climate focals. The national climate change specialists will be based in the identified DMCs. National consultants will be supervised jointly by the CWER TA team and the respective climate focals in ADB's resident missions.

#### IV. THE PRESIDENT'S DECISION

25. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$3,000,000 on a grant basis for Delivering a Climate Change Strategy for Central and West Asia, and hereby reports this action to the Board.

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<sup>32</sup> Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).

## DESIGN AND MONITORING FRAMEWORK

| Impact the TA is Aligned with  |   |  |  |
|--|---|--|--|
| Low-carbon development and climate resilience in CWRD region advanced <sup>a</sup>                       |   |  |  |
| Results Chain  | Performance Indicators  | Data Sources and Reporting Mechanisms  | Risks and Critical Assumptions   |
| <b>Outcome</b><br><br>Climate change strategy for CWRD DMCs operationalized                              | By 2026:<br><br>a. Climate finance share for CWRD increased to at least \$700 million of the annual total commitments (2020 baseline: \$546 million) (OP3.1.1)<br><br>b. The share of projects supporting climate change increased to at least 80% (2021 baseline: 57%) (OP3.1.1)<br><br>c. At least five climate-focused investment opportunities/ pipelines endorsed by five DMC governments (2022 baseline: 0) (OP3.1.1) | a. CWRD Annual Achievement Report, consultant reports, CWRD monthly MIS report<br><br>b. CWRD Annual Achievement Report, consultant reports, CWRD monthly MIS report<br><br>c. Country partnership strategy, consultant reports, climate investment plans, concept papers, letters of endorsement, or any other communication from governments | A: Tools, capacities, and policies are in place to facilitate mainstreaming efforts.   |
| <b>Outputs</b><br><br>1. Climate change strategy including action plan for CWRD DMCs finalized           | By 2025:<br><br>1a. Gender-sensitive climate change strategy, including action plan to support DMC climate priorities, launched (2022 baseline: not applicable) (OP2.3; OP3.1.1; OP3.1.2; OP3.2.2; OP7.3.1)<br><br>1b. At least three sector plans to identify scaled-up climate investments endorsed (2022 baseline: not applicable) (OP2.3; OP3.1.1; OP3.1.2; OP3.2.2; OP7.3.1)   | 1a. Director general, CWRD approval memo<br><br>1b. Consultant reports, consultation summary and/or proceedings documenting endorsement  | A: Commitment of DMCs secured; climate change is a priority in DMC development plans.  |
| 2. Upstream climate assessments and opportunities for scaled up climate finance in key sectors supported | By 2025:<br><br>2a. At least 10 sector or national-level gender-sensitive upstream climate change assessments shared with DMCs (2022 baseline: 0) (OP3.1.1; OP3.2.2; OP7.3.1)<br><br>2b. At least eight pre-concept notes for climate-focused projects <sup>b</sup> (of which at least four are Type 2 projects), with gender considerations, presented to DMC officials (2022 baseline: 0) (OP3.2.2; OP7.3.1)              | 2a. Consultant and/or assessment reports, knowledge products (e.g., guidance notes and approach papers) produced and disseminated to identified stakeholders<br><br>2b. DMCs' investment programs, databases and reports, consultants' final report  | A: Commitment of DMCs secured; climate change is a priority in DMC development plans.<br><br>R: DMC priorities shift because of the international economic and security situation. |

| Results Chain   | Performance Indicators   | Data Sources and Reporting Mechanisms  | Risks and Critical Assumptions  |
|---|--|--|---|
| 3. Technical capacity to integrate climate considerations and priorities in investment programming strengthened   | <p>By 2025:</p> <p>3a. At least five regional or national pipeline-related dialogues conducted (2022 baseline: 0) (OP2.3; OP2.3.2; OP3.2.2)</p> <p>3b. At least 150 DMC government officials and staff (of whom 30% are women) trained on integrating climate considerations in investment, reporting enhanced understanding of the concepts included under the training modules (2022 baseline: 0) (OP2.3.2; OP3.1.2; OP3.2.2; OP7.3.1)</p> | <p>3a. Stakeholder dialogue programs and evaluations, presentation materials, annual TA consultant progress reports, participants' lists</p> <p>3b. Post-workshop surveys and/or feedback forms, participants' lists, workshop summaries</p> | <p>A: Buy-in of the DMCs secured; climate change is a priority in development plans.</p> <p>R: DMC priorities shift because of the international economic and security situation.</p> |
| <b>Key Activities with Milestones</b>   |  |  |   |
| <p><b>1. Climate change strategy including action plan for CWRD DMCs finalized</b></p> <p>1.1 Conduct a regional assessment of CWRD DMCs' climate context, including climate vulnerabilities (with a focus on vulnerable groups and women), mitigation profile, and priorities (Q3–Q4 2022)</p> <p>1.2 Review CWRD DMC lending pipelines from 2016 to 2021, ADB's climate change mainstreaming policies and investment programs, and CWRD DMC gaps in terms of capacity to develop climate investment pipelines (Q3–Q4 2022)</p> <p>1.3 Conduct consultations, focus group discussions, and interviews with CWRD DMC officials (Q3 2022–Q1 2023)</p> <p>1.4 Prepare sector plans as input to the strategy and action plan (Q4 2022–Q2 2023)</p> <p>1.5 Prepare a communication and engagement plan to guide outreach and information dissemination with ADB, CWRD DMCs, and other relevant stakeholders including business sector and civil society organizations (Q1 2023–Q2 2025)<sup>c</sup></p> <p>1.6 Compile strategy document based on inputs from the regional assessment, sector and country assessments, sector investment plans, and action plans (Q2–Q4 2023)</p> <p><b>2. Upstream climate assessments and opportunities for scaled up climate finance in key sectors supported</b></p> <p>2.1 Develop selection criteria for the prioritization of DMCs and sectors in consultation with ADB sector divisions and resident missions (Q3 2022)</p> <p>2.2 Conduct upstream climate assessments on country and sector levels (Q4 2022–Q2 2025)</p> <p>2.3 Assist DMCs through ADB sector divisions and resident missions to integrate climate aspects in existing and future pipelines (Q4 2022–Q2 2025)<sup>c</sup></p> <p>2.4 Develop Paris Agreement aligned and gender-responsive sector investment plans for selected sectors and/or subsectors (Q4 2023–Q4 2024)</p> <p>2.5 Develop pre-concept notes, in coordination with CWRD divisions, resident missions, and DMCs (Q4 2024–Q1 2025)</p> <p><b>3. Technical capacity to integrate climate considerations and priorities in investment programming strengthened</b></p> <p>3.1 Assess capacities of DMC representatives on mainstreaming climate change into investment pipelines (Q1–Q4 2023)</p> <p>3.2 Prepare capacity-building plan and develop training materials to mainstream climate change into investment pipelines (Q1–Q4 2023)</p> <p>3.3 Assess country and sector context to determine subjects, needs, and relevant stakeholders for national, sector, and interagency dialogues (Q1–Q4 2023, Q1–Q4 2024, Q1–Q2 2025)</p> <p>3.4 Conduct trainings on project design and investment programming for DMCs (Q4 2024, Q1–Q2 2025)</p> <p>3.5 Develop knowledge products based on the results of the TA (Q3 2023–Q2 2025)</p> <p><b>TA Management Activities</b></p> <p>Recruit consultants (Q3 2022–Q2 2023)</p> <p>Conduct TA inception and review missions (Q3 2022–Q4 2025)</p> |  |  |   |

|   |
|---|
| Report, monitor, and evaluate TA activities and outputs (Q3 2022–Q4 2025) |
| <b>Inputs</b>   |
| ADB: \$3,000,000 (\$2,000,000 TASF 7 and \$1,000,000 TASF-other sources)  |

A = assumption, ADB = Asian Development Bank, CWRD = Central and West Asia Department, DMC = developing member country, MIS = management information system, OP = operational priority, Q = quarter, R = risk, TA = technical assistance, TASF = Technical Assistance Special Fund.

<sup>a</sup> Defined by TA.

<sup>b</sup> Projects with climate finance comprising at least 50% of the total cost.

<sup>c</sup> Initial drafts will be prepared in 2023 and mid-2024 but will be updated when all relevant outputs have been prepared by 2025.

**Contribution to Strategy 2030 Operational Priorities:**

The expected values and methodological details for all OP indicators to which this TA will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 3).

Source: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

| Item  | Amount         |
|---|----------------|
| <b>Asian Development Bank<sup>a</sup></b>                               |                |
| 1. Consultants  |                |
| a. Remuneration and per diem  |                |
| i. International consultants  | 1,749.5        |
| ii. National consultants  | 321.4          |
| b. Out-of-pocket expenditures   |                |
| i. International and local travel <sup>b</sup>                          | 312.2          |
| ii. Surveys   | 15.0           |
| iii. Reports and communications   | 5.0            |
| 2. Training, seminars, workshops, forum, and conferences <sup>c</sup>   | 389.7          |
| 3. Equipment <sup>d</sup>   | 40.0           |
| 4. Miscellaneous technical assistance administration costs <sup>e</sup> | 32.5           |
| 5. Contingencies  | 134.7          |
| <b>Total</b>  | <b>3,000.0</b> |

Note: The technical assistance (TA) is estimated to cost \$3.0 million, of which contributions from the Asian Development Bank (ADB) are presented in the table.

<sup>a</sup> Financed by ADB's Technical Assistance Special Fund (\$2.0 million TASF 7 and \$1.0 million TASF-other sources).

<sup>b</sup> Includes airfare, per diem, miscellaneous travel expenses, and land transport.

<sup>c</sup> Includes travel costs for participants and ADB staff serving as resource persons. It also includes costs for venue rental, workshop kits, documenters, and other support services for secretarial and administrative services.

<sup>d</sup> Includes the procurement of laptops, software, and digital materials including associated services for the participating developing member countries (DMCs). Equipment to be procured under the TA for upstream assessments will be handed over to target DMCs.

<sup>e</sup> Includes office space, costs for printed external publications, and other professional and service costs. About 100 copies of printed publications will be distributed to high government officials of the targeted DMCs. Printed materials are required as official record for governments of DMCs.

Source: Asian Development Bank estimates.

**LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/LinkedDocs/?id=56025-001-TARreport>

1. Terms of Reference for Consultants
2. Contribution to Strategy 2030 Operational Priorities