NDC ADVANCE



Accelerating Climate Actions in Asia and the Pacific

NDC Advance is a technical assistance platform established by the Asian Development Bank (ADB) to help its developing member countries (DMCs) mobilize finance, build capacity, and provide knowledge and other support to implement their nationally determined contributions (NDCs). NDC Advance is implemented through four separate but strategically linked subprojects, whose objectives are to

- Help DMCs refine and enhance their climate ambitions, translate NDCs into climate investment plans, and identify priority climate projects that may be executed with ADB assistance.¹
- Improve DMC access to external public and private climate finance, including funding for innovative financing mechanisms to support NDC implementation.²
- Develop methods and tools to measure, monitor, and report on commitments made under NDCs.³
- Help DMCs identify climate adaptation investments and policy and institutional reforms needed to unlock barriers to implementing climate adaptation investments.⁴

Delivering Ambitious Climate Actions

The Asia and Pacific region is already experiencing the devastating impacts of climate change, and greenhouse gas (GHG) emissions continue to grow. Urgent action is needed to decarbonize economies and significantly step up climate adaptation and resilience.

NDCs are the operational mechanism at the heart of the Paris Agreement, and are critical to its success. In their NDCs, countries outline their commitments toward achieving the Paris Agreement goals. These include GHG emissions reduction targets, priority policies and measures, and actions to build resilience and adapt to climate change. NDCs also contain information on countries' need for finance, technology, and capacity-building support to implement these actions. As they are nationally determined, they reflect each country's circumstances. This bottom-up, self-determined approach is fundamental to the Paris Agreement. NDCs are also dynamic. They are revised and submitted every 5 years. The Paris Agreement provides that successive NDCs will represent a progression compared with previous NDCs to ensure that collectively, countries continue to ratchet up global ambition.

Implementing NDCs is core to achieving the goals of the Paris Agreement. To do this, governments need to translate high-level commitments in NDCs into climate investment plans. These plans identify the program of investments needed to achieve NDCs, and plan for mobilizing finance for implementation. DMCs cannot meet the large-scale investment needed to implement NDCs on their own. A combination of domestic resources, private sector finance, and international climate financing from sources such as the Green Climate Fund is needed. This is particularly important for countries that are seeking international support to achieve the conditional component of their NDC commitments. NDC implementation also needs to be supported by clear requirements for monitoring and reporting, and resilient institutional structures.

Through technical and knowledge support, NDC Advance assists DMCs to develop climate investment plans, mobilize financing, and develop monitoring and reporting mechanisms to implement priority projects effectively. It also supports mainstreaming of NDC-aligned investments into ADB's country programming and operational processes. This helps facilitate a regional shift to a climate-resilient and low GHG emissions path in line with the Paris Agreement, the Sustainable Development Goals, and the Sendai Framework for Disaster Risk Reduction.

ADB. 2019. Regional Technical Assistance on Supporting Ambitious Climate Action through Implementation of Developing Member Countries' Nationally Determined Contributions (Subproject 1). Manila.

² ADB. 2019. Regional Technical Assistance on Enhancing Financial Mechanisms to Develop Climate Actions of Developing Member (Subproject 2). Manila.

³ ADB. 2019. Regional Technical Assistance on Establishing Mechanisms to Measure, Monitor, and Report on Commitments made under the Paris Agreement (Subproject 3). Manila.

⁴ ADB. 2022. Regional Technical Assistance on Identifying Climate Adaptation Investment Priorities (Subproject 4). Manila.



Strengthening Carbon Financing for Regional Grassland Management in Mongolia. Herders cultivate fodder or animal feed that is more resilient to extreme weather changes, using plants that adapt to droughts. The project is promoting climate-smart agricultural activities (photo by ADB).

Institutional Context

NDC Advance is aligned with ADB's Strategy 2030—in particular, the operational priority on tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability.⁵ It aims to help ADB achieve its climate commitments under Strategy 2030—to ensure at least 75% of its operations support climate action and its climate finance resources reach at least a cumulative \$80 billion by 2030.

In 2021, ADB elevated its ambition to deliver climate financing to \$100 billion to its DMCs in 2019–2030.6 NDCs will be a key enabling factor for ADB's commitments to fully align its new sovereign operations with the Paris Agreement by 1 July 2023, align 85% of its new nonsovereign operations by 1 July 2023, and align 100% of all its operations by 1 July 2025.7

To support DMCs achieve their NDC adaptation targets, ADB has also announced plans to scale up investments in adaptation and resilience with a cumulative financing of \$9 billion in 2019–2024 (footnote 7). Underpinning these efforts, ADB's Climate Change Operational Framework 2017–2030 emphasizes supporting DMCs in planning and implementing their NDCs, mobilizing finance from a variety of sources, and monitoring and tracking climate actions and financial flows. Through a \$9.12 million grant from ADB and the Government of Austria, NDC Advance helps boost financing for climate actions to implement NDCs that set targets for mitigating GHG emissions and for adapting to climate change impacts.

⁵ ADB. 2018. <u>Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific.</u> Manila.

⁶ ADB. 2021. <u>ADB Raises 2019–2030 Climate Finance Ambition to \$100 Billion</u>. News release. 13 October.

⁷ ADB. 2021. <u>ADB Commits to Full Alignment with Paris Agreement</u>. News release. 8 July.

Support to ADB Developing Member Countries

Guided by identified country needs and priorities, NDC Advance works with partners from governments and other development agencies. The table presents the actions being delivered through NDC Advance.

NDC Advance Support to ADB's Developing Member Countries

Armenia

- Develop urban climate assessments to mainstream low-carbon and climate resilience measures into urban planning processes, investment planning, and ADB's urban sector project pipeline
- Conduct roundtable dialogues with key government officials on country's NDC and climate agenda and their potential for integration into strategic development documents and COVID-19 recovery programs^a

Georgia

 Develop urban climate assessments to mainstream low-carbon and climate resilience measures into urban planning processes, investment planning, and ADB's urban sector project pipeline

Indonesia

 Develop the road map for a Regionally and Locally Determined Contribution for Nusantara toward achieving Indonesia's NDC

Lao People's Democratic Republic

- Provide an assessment of the country climate finance landscape
- Develop climate finance action plan for priority NDC sectors
- Transform national climate change policies and strategies into climate action plans and projects
- Enhance capacity of key government agencies to implement national climate change policies and strategies
- Develop country guidance in M&E and MRV framework on NDCs and National Climate Change Strategy

Marshall Islands

 Support the implementation of a climate finance action plan and associated private sector development strategy

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Mongolia^b

- Develop sector assessments to inform development of the country's Action Plan for NDC Implementation
- Provide country climate finance landscape assessment and develop a private sector strategy for climate finance mobilization
- Develop country guidance on climate finance tracking, climate impact assessment template, and climate finance tracking database template

Pakistan

- Develop climate change risks assessments on livelihoods and infrastructure in Sindh's coastal areas to inform development of climate-resilient investments
- Develop Solid Waste Management Sector Road Map
- Prepare approach paper on Waste Sector Reporting to the NDC from subnational to national level
- Prepare policy note on waste sector inclusion in the revised NDC
- Prepare policy note series on urban sector in relation to energy, transport, industry, and agriculture

Papua New Guinea

 Establish climate data reporting templates and national energy balance table including capacity building on MRV development

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Sri Lanka

 Enhance the National MRV system prioritizing six NDC mitigation sectors: energy, transport, waste, industry, forestry, and agriculture, including capacity building

Tajikistan

- Develop low-carbon and climate-resilient COVID-19 economic recovery measures including concepts on green, inclusive, and climate-resilient NDC-linked investments and projects^a
- Conduct capacity-building workshops on project development and investment planning for NDC implementation
- Support development of national Green Economy Development Strategy
- Develop NDC MRV system design and capacity building

Uzbekistan

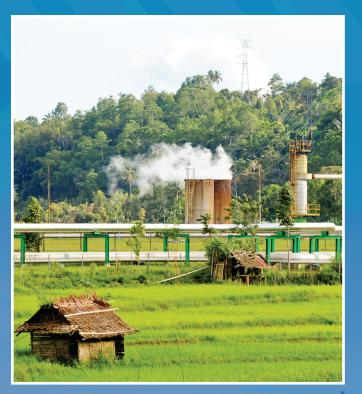
 Develop urban climate assessments to mainstream low-carbon and climate resilience measures into urban planning processes, investment planning, and ADB's urban sector project pipeline

NDC Integration into ADB Country Programming

Climate change and disaster risk management assessments to inform ADB country partnership strategies in Indonesia, Papua New Guinea, and Viet Nam and support to diagnostic process to integrate climate change and disaster risk management issues into country programming and identify climate change projects in Mongolia

ADB = Asian Development Bank, COVID-19 = coronavirus disease, DMC = developing member country, MRV = measurement, reporting and verification, M&E = monitoring and evaluation, NDC = nationally determined contribution.

- a In response to the COVID-19 pandemic, the NDC Partnership launched the Economic Advisory Initiative in June 2020 to support governments in preparing climate compatible recovery packages by embedding economic advisors into ministries of finance and/or planning. NDC Partnership. Economic Advisory Initiative. https://ndcpartnership.org/economic-advisory-support.
- b The Climate Action Enhancement Package is a targeted, fast-track support program of the NDC Partnership launched in 2019. It is intended to help countries (i) enhance and submit updated NDCs—including by raising ambition, as part of the Paris Agreement's NDC update process—to the United Nations Framework Convention on Climate Change by 2020; and (ii) fast-track implementation of NDCs—by providing in-country technical expertise and capacity building, with a focus on the mobilization of finance for climate action. NDC Partnership. Climate Action Enhancement Package (CAEP). https://indcpartnership.org/caep.



Alliance for Combined Action

ADB formally joined the NDC Partnership in November 2017 to help coordinate and build synergies with the efforts of other development partners supporting the implementation of NDCs. The NDC Partnership is a global coalition of countries and institutions working to mobilize support and achieve ambitious climate goals while enhancing sustainable development. Through the NDC Partnership, DMCs have access to support for the implementation of their NDCs, including through technical assistance, finance, capacity-building, and knowledge.

Renewable energy and climate adaptation. The Lahendong Geothermal Power Plant (*left*) is located in Manado, Indonesia. As demand for electricity is growing, the Government of Indonesia is working with ADB and other partners to step up the country's energy supply. Through steam from deep within the Earth, electricity generated by geothermal power plants are cost-effective, reliable, and environmentally friendly with a minuscule carbon footprint. Wind energy resources, such as those in Turpan, People's Republic of China (in the background), are considered the most competitively priced renewable energy technology. They can offer a key climate change solution for the reduction of carbon dioxide and greenhouse gas emissions. This can contribute to achieving the goals of the Paris Agreement and limiting global warming to well below 2°C, preferably 1.5°C, compared with pre-industrial levels (photos by ADB).



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About the Asian Development Bank

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.



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