The Regional Dialogue on Carbon Pricing (REdiCAP) in Central Asia

Keynote Remarks

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ADB’s expanded package to meet increasing demand

The COVID-19 pandemic triggered unprecedented health and economic crises that increased fiscal deficits and national debt.

ADB announced a $20 billion comprehensive COVID-19 response package in April 2020.

ADB committed about $16.3 billion in financial and technical assistance and mobilized $7.8 billion in co-financing for COVID-19 response in 2020.

ADB’s $9 billion Asia Pacific Vaccine Access Facility, or APVAX, provides comprehensive support for developing Asia’s vaccination process.
COVID-19 recovery is an opportunity

A **low-carbon transformation** supports a **green recovery**—boosts the economy; protects the environment; strengthens climate/disaster resilience.

A **green recovery** will create better jobs, catalyze capital, boost the economy as well as protect the environment; improve the quality of life; and strengthen climate and disaster resilience.

Developing member countries need to boost both internal and external **financial resources** to face the challenges of pursuing a green recovery.

Figure: COVID-19 RECOVERY: A Pathway to a Low-Carbon and Resilient Future (Source: ADB, 2020)
The Role of Carbon Pricing

Carbon pricing internalizes the external costs of GHG emissions by transferring the burden of environmental damage to those who are responsible for it.

For the CAREC region, robust carbon pricing can contribute to a clean energy transition and green economic development.

Carbon pricing instruments can also foster regional cooperation.

ADB’s long-standing work with CAREC members underscores its steadfast support to the region.

Figure: Ideal role of Carbon Pricing in the broader climate policy architecture
Climate Financing Commitments and Disaster Initiatives implemented or emerging—Domestic Emissions Trading Systems (ETS): Australia, Kazakhstan, New Zealand, PRC, and RoK—Carbon tax: Japan and Singapore

Initiatives being considered—Indonesia; Taipei, China; Thailand; and Viet Nam

20 of 41 ADB developing member countries interested in using market mechanisms to achieve their NDCs

ADB’s Carbon Market Program

Supports climate actions through:
- Carbon finance
- Technical support
- Capacity building
- Knowledge support

MO: mitigation outcome
Thank you!

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ADB’s focus on Climate Change and Disaster Risk Management
Climate Change Financing in ADB