ADB's activities and views on Asia LCSR Network

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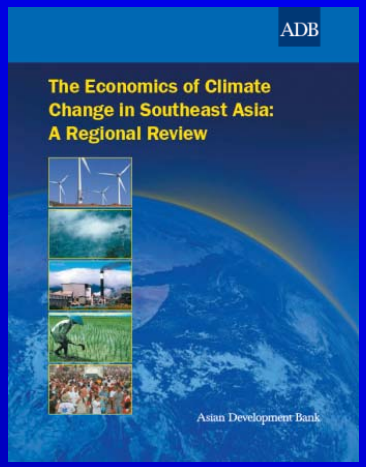
ADB's Regional Review of the Economics of Climate Change in Southeast Asia

- SEA could lose 6.7% of GDP by 2100
- Mitigation potential in energy sector counts for 40% of BAU emissions by 2020
- Raised public awareness about climate change challenges and opportunities



- Other subregional studies are on-going

  Northeast, South, Central &West, Pacific

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ADB's follow-up TA on Strengthening planning capacity for low carbon growth in developing Asia

- Participation: Indonesia, Malaysia, Philippines, Thailand, and Viet Nam
- Funding: Japan, UK, and ADB
- Components:
  - Model/software development
  - Capacity building/training
  - Low carbon roadmap/analysis
- Sectors: Energy (power, transport, household, industry) and LUCF
- Implementation: Nov 2010-Mar 2013

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Some Comments on Asia LCSR Network

- Platform for researchers to exchange information and lessons learned
- Interactions with Policy Makers – Planning Agencies - for mainstreaming
- How to link with adaptation
- Mutually beneficial to have collaboration with ADB's TA and LCSR Network activities in Asia

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Thank you

Please visit our websites

- http://www.adb.org/Climate-Change

References

SEA (4) could lose 6.7% of GDP by 2100, if non-market impacts and catastrophic risks are also taken into account.

Figure H9. Mean Impact in the Four Countries

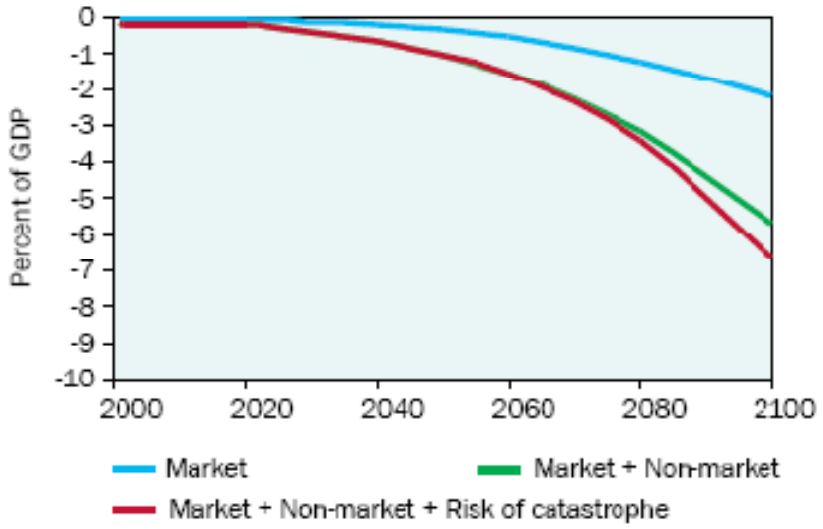
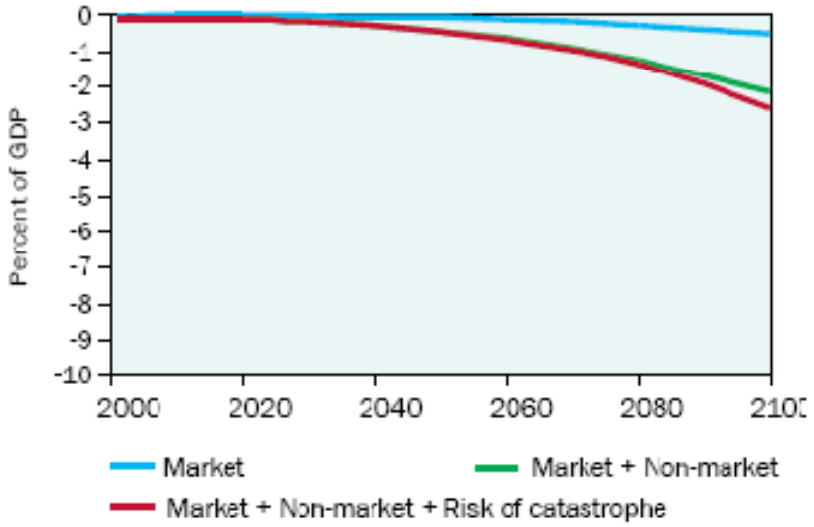


Figure H10. Global Mean Impact

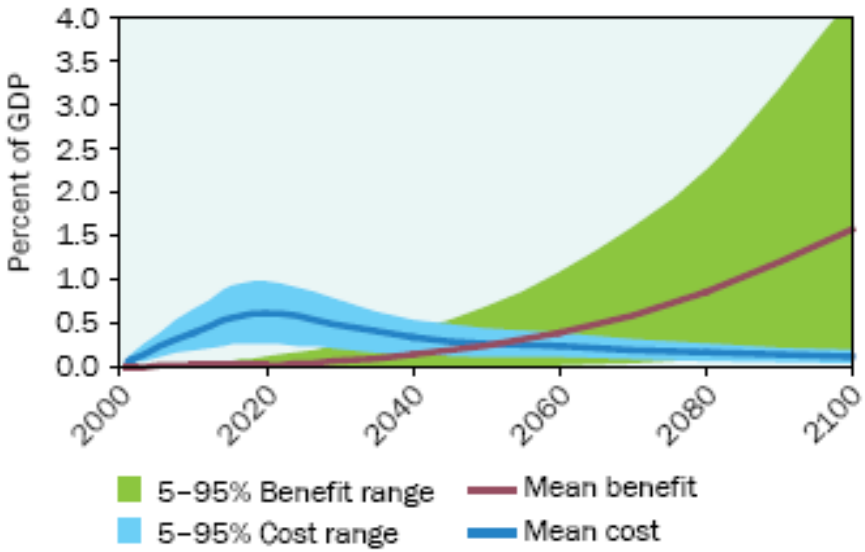


Note: The results are based on the A2 reference scenario without action.
Source: ADB study team.

SEA (4): Indonesia, Philippines, Thailand, Viet Nam

Economics of Adaptation
GDP: Combined GDP of SEA (4)

Figure H13. Cost and Benefit of Adaptation

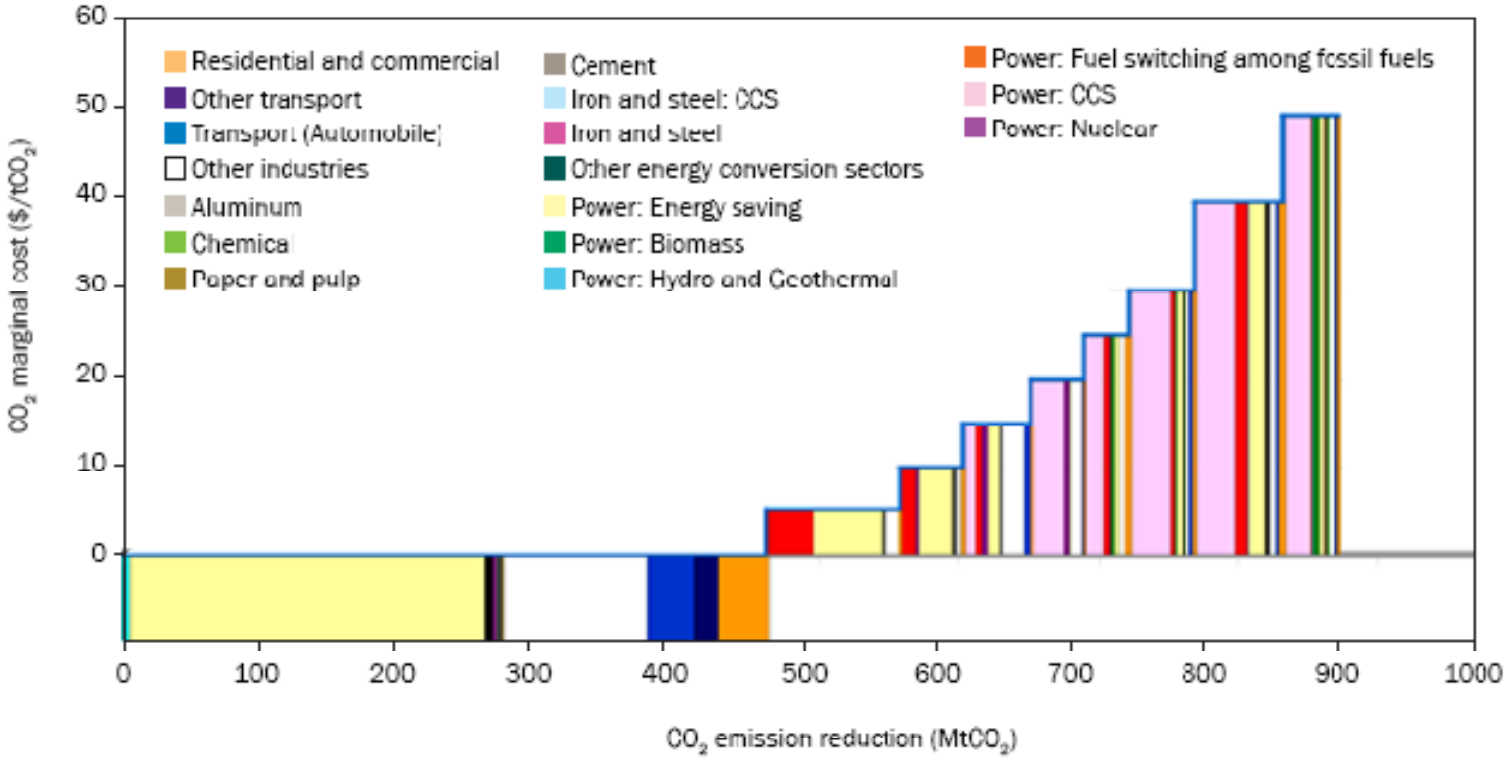


Note: 'mean' indicates the average outcome of the simulations and the range of estimates from the 5th to the 95th percentile is shaded area. Benefit in terms of avoided damage is based on A2 scenario.

Source: ADB study team.

Win–Win Options
Energy Efficiency Improvement: SEA (4)
475 MtCO2 with negative cost

Figure 8.12. Marginal Abatement Cost Curve for the Four Countries (2020)



Source: ADB study team.

Policy Implications for SE Asia

- Both adaptation and mitigation are necessary—identify win-win options
  - Planting mangroves sequesters carbon and buffers the effects of storm surges on infrastructure near the coast
  - Water storage can be beneficial for flood risk reduction, drought response and clean energy generation (hydro)
- Essential to enhance adaptive capacity
  - R&D/technology: Drought and saline resistant crops, Efficient irrigation techniques, Water conservation technologies, Improved farming systems/practices
  - Infrastructure: Climate-proofed, Strengthen risk and vulnerability assessment
  - Weather data collection and forecasts, Early warning systems, Knowledge development and dissemination

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TA Component 1: Model and Software Development

- This component will involve
  - development of low-carbon economic modeling framework
  - database construction (Excel-based), and
  - development of planning tool/software
- Planning tool will be developed, consist of (a) a package of models, (b) database, (c) operation manual, (d) model ans data documentation, and (e) training materials
- User-friendly, "point-and-click", software could be developed to allow policy and strategy simulations

TA Component 2: Capacity Building and Training

- Organize training sessions and workshops for relevant agencies and institutions
  - Basics and hands-on computer labs with the models/software developed under Component 1
- Office and model could be set up in the focal ministries or institutions with resource person to help maintain the model and help government conduct/update analysis
- Four training workshops planned in 2011-2012

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TA Component 3: Low Carbon Analysis

- Apply the software developed under Component 1
- Based on consultation with government, this component will help develop a low-carbon roadmap, prioritize low-carbon strategies & policy instruments
- Key activities:
  - Construct MAC curve
  - Analyze policy instruments such as carbon taxes, energy pricing, phasing out of fossil fuel subsidies, emissions trading schemes, "green" investment
  - Consider their implications on funding/investment requirement, GDP, employment, trade, structural adjustment, as well as on GHG reduction

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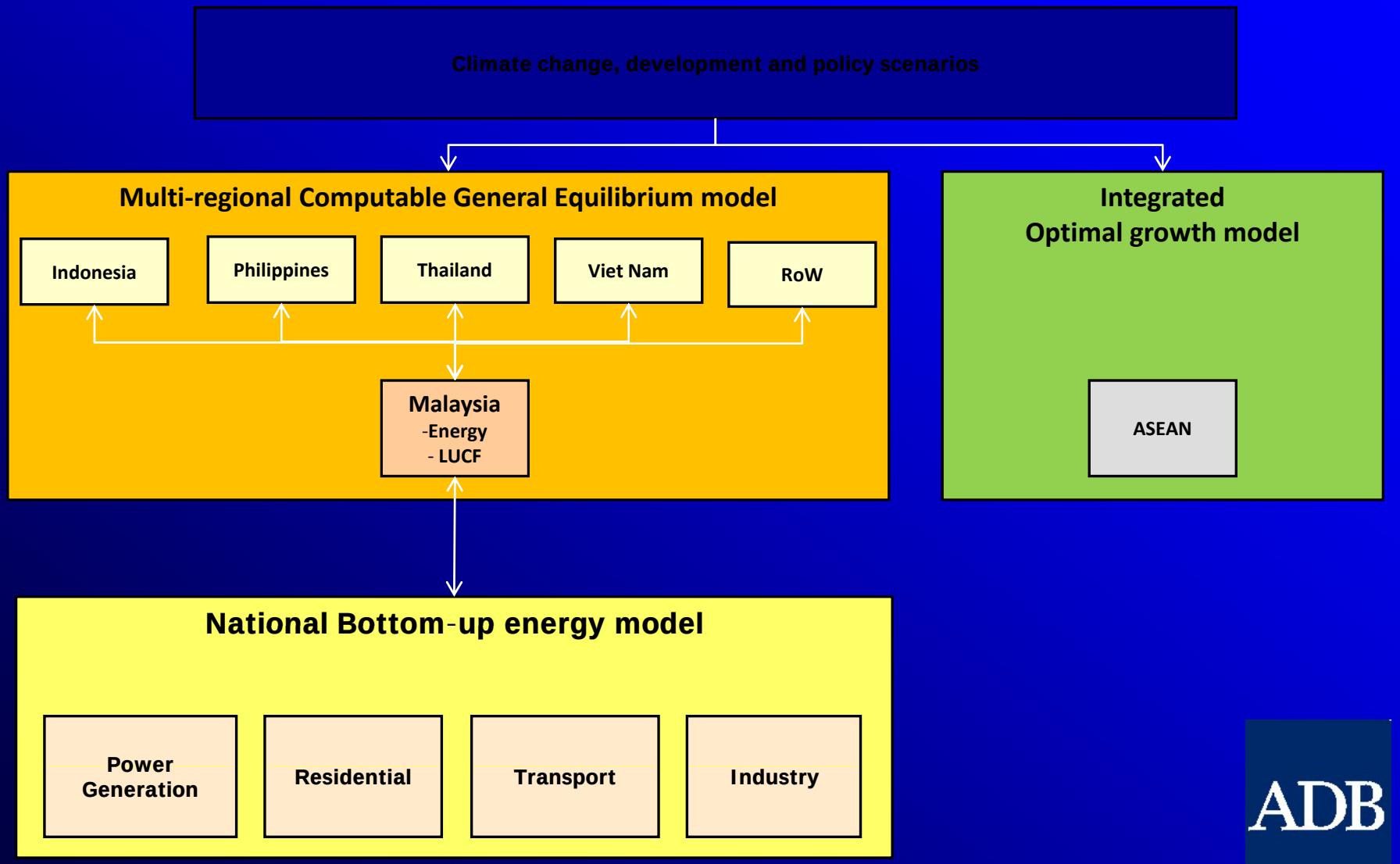
Proposed Framework



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