



2021 International Climate  
Change Conference (ICCC)

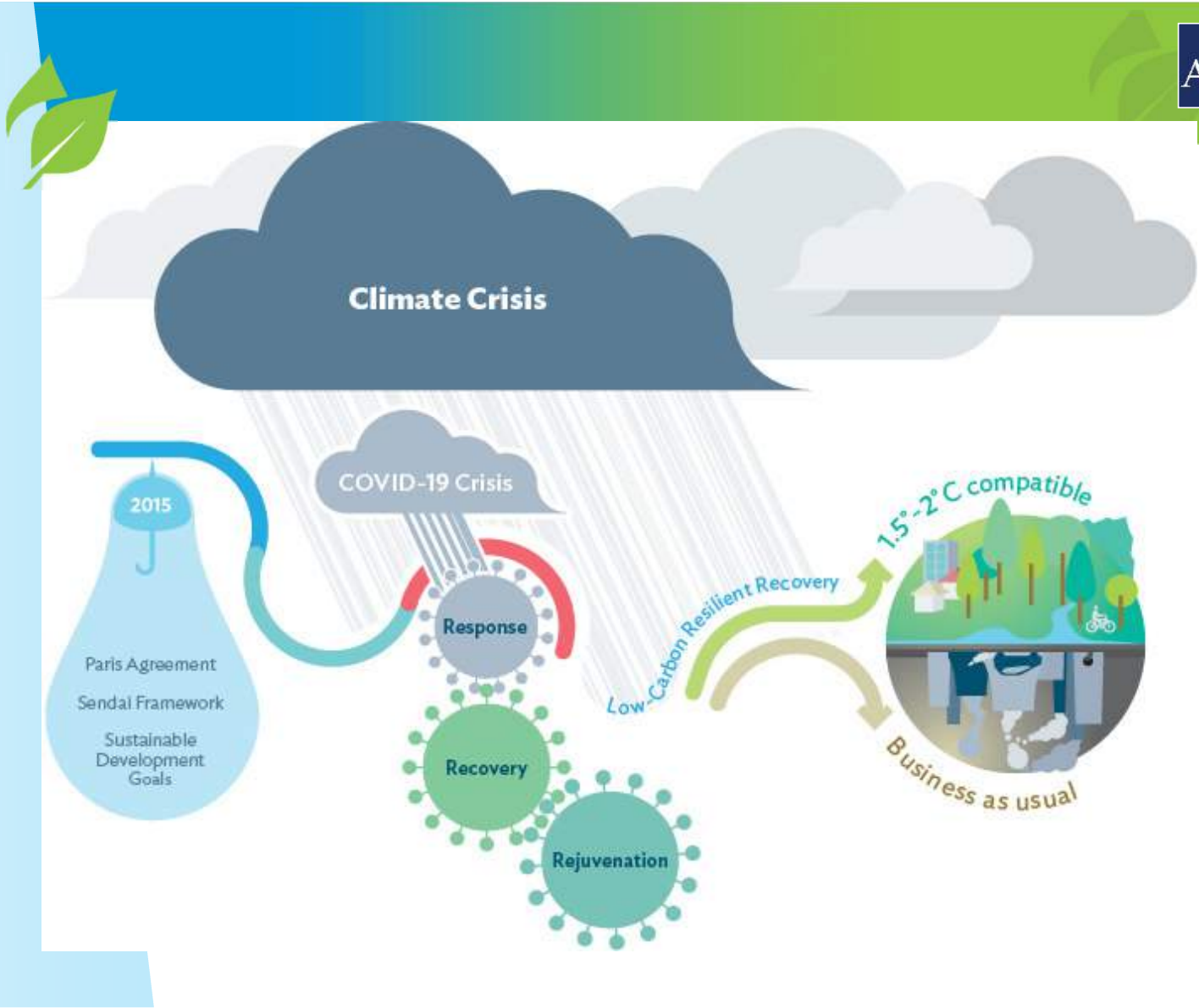
## A Just and Affordable Transition toward Net Zero

**Dr. Bambang Susantono**

22 July 2021

# COVID-19 recovery is an opportunity

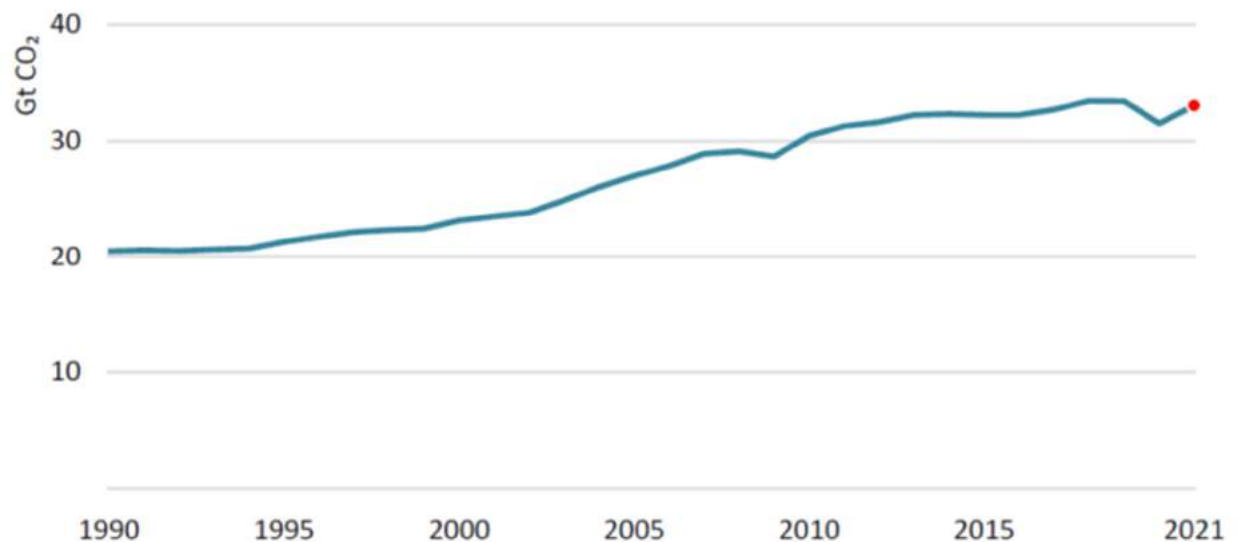
Countries need to make changes to make their economies and societies lower-carbon, more resilient, and more equitable



# The climate crisis continues

Just **28% of the \$17.2 trillion** announced stimulus is environmentally relevant— for agriculture, industry, waste, energy and transport

Global energy-related CO<sub>2</sub> emissions, 1990-2021, and change in CO<sub>2</sub> emissions by fuel, 1990-2021



Source: International Energy Agency, 2021. Global Energy Review 2021

Source: Vivid Economics, Greenness of Stimulus Index, July 2021

Image Source: ADBSourceSour

# ADB Framework



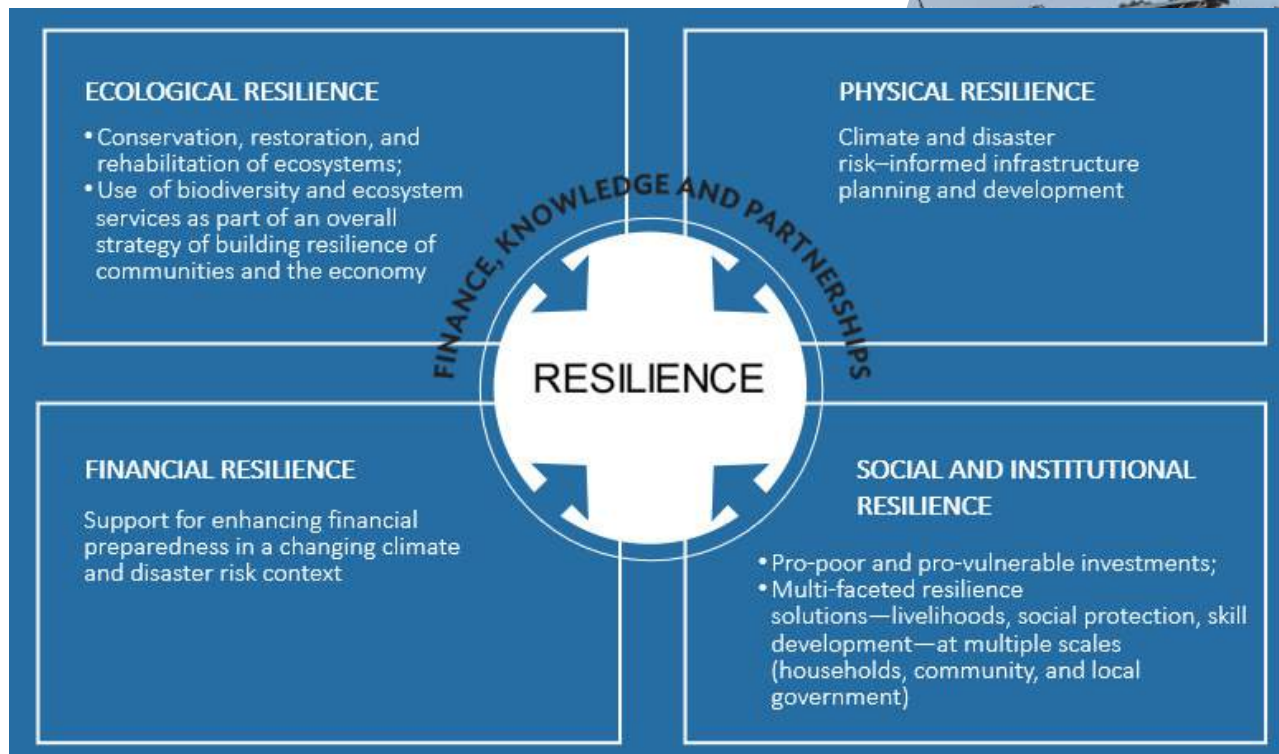
| Recovery Measures   | Climate and Resilience Results and Benefits | Type of Measure | Requirements of Covid-19 Recovery Measures |                           |                    |                     |                          |   |                                      |  |
|---|---|-----------------|--|---------------------------|--------------------|---------------------|--------------------------|---|--------------------------------------|--|
|   |   |                 | Short Implementation Timeline              | High Employment Intensity | Skills Development | Strong Supply Chain | High Economic Multiplier | Contribution to the Productive Asset Base | Support for Long Term Transformation | Positive Environmental and Social Outcomes |
| <b>Low Carbon Development</b>   |   |                 |  |                           |                    |                     |                          |   |                                      |  |
| Investment in low-carbon (renewable) energy production and energy storage infrastructure  |   | DI              | Medium                                     | High                      | High               | Medium              | High                     | High                                      | High                                 | High                                       |
| Extension and modernization of the grid to support higher renewable penetration   |   | DI              | Medium                                     | High                      | High               | Medium              | High                     | High                                      | High                                 | High                                       |
| Public procurement program for purchase and installation of energy-efficient appliances, lighting, and digital devices for public buildings |   | DI              | High                                       | High                      | High               | High                | Medium                   | High                                      | High                                 | High                                       |
| Incentives for home renovations and retrofits, including low- and zero-energy measures, in affected regions                                 |   | P&R             | High                                       | High                      | High               | Medium              | Medium                   | Medium                                    | High                                 | High                                       |
| Introduction of green tax regimes, e.g., carbon taxes, carbon price floor (for industry)  |   | P&R             | Low  | Low                       | High               | Medium              | High                     | Medium                                    | High                                 | High                                       |
| Planning of urban green redevelopment/regeneration and sustainable spaces (smart cities)  |   | T               | Low  | Low                       | High               | Medium              | High                     | High                                      | High                                 | High                                       |
| Development and scale-up of radical transport (universal and comprehensive public transport/car-free movement)                              |   | T               | Low  | Low                       | High               | Medium              | High                     | High                                      | High                                 | High                                       |
| <b>Climate and Disaster Resilience</b>  |   |                 |  |                           |                    |                     |                          |   |                                      |  |
| Reorientation of labor market programs to support resilience-building measures (e.g., water resource conservation, reforestation)           |   | DI              | High                                       | High                      | Medium             | Low                 | Medium                   | Medium                                    | High                                 | High                                       |
| Development of climate-resilient agricultural value chains  |   | DI              | Medium                                     | High                      | High               | High                | High                     | High                                      | High                                 | High                                       |
| Investment in protective infrastructure to strengthen resilience (eg. coastal protection, flood defense)                                    |   | DI              | Medium                                     | Medium                    | Medium             | Medium              | Medium                   | Medium                                    | High                                 | High                                       |
| Active labor market policies and economic stimulus to support job creation in resilience sectors  |   | P&R             | Medium                                     | High                      | High               | Medium              | High                     | Medium                                    | High                                 | High                                       |
| Introduction of policy reforms to enhance resilience (e.g. payment for ecosystem service schemes)   |   | P&R             | Medium                                     | Medium                    | Low                | Medium              | Medium                   | High                                      | High                                 | High                                       |
| Transformation of rural food and land use-systems, including to shift a sustainable and resilient production                                |   | T               | Low  | Medium                    | High               | High                | High                     | High                                      | High                                 | High                                       |
| Risk-sensitive land-use management  |   | T               | High                                       | Low                       | High               | Medium              | Medium                   | Medium                                    | High                                 | High                                       |

\* Note: Assessment will vary by country, or even by region. Assessment is for illustrative purposes only.

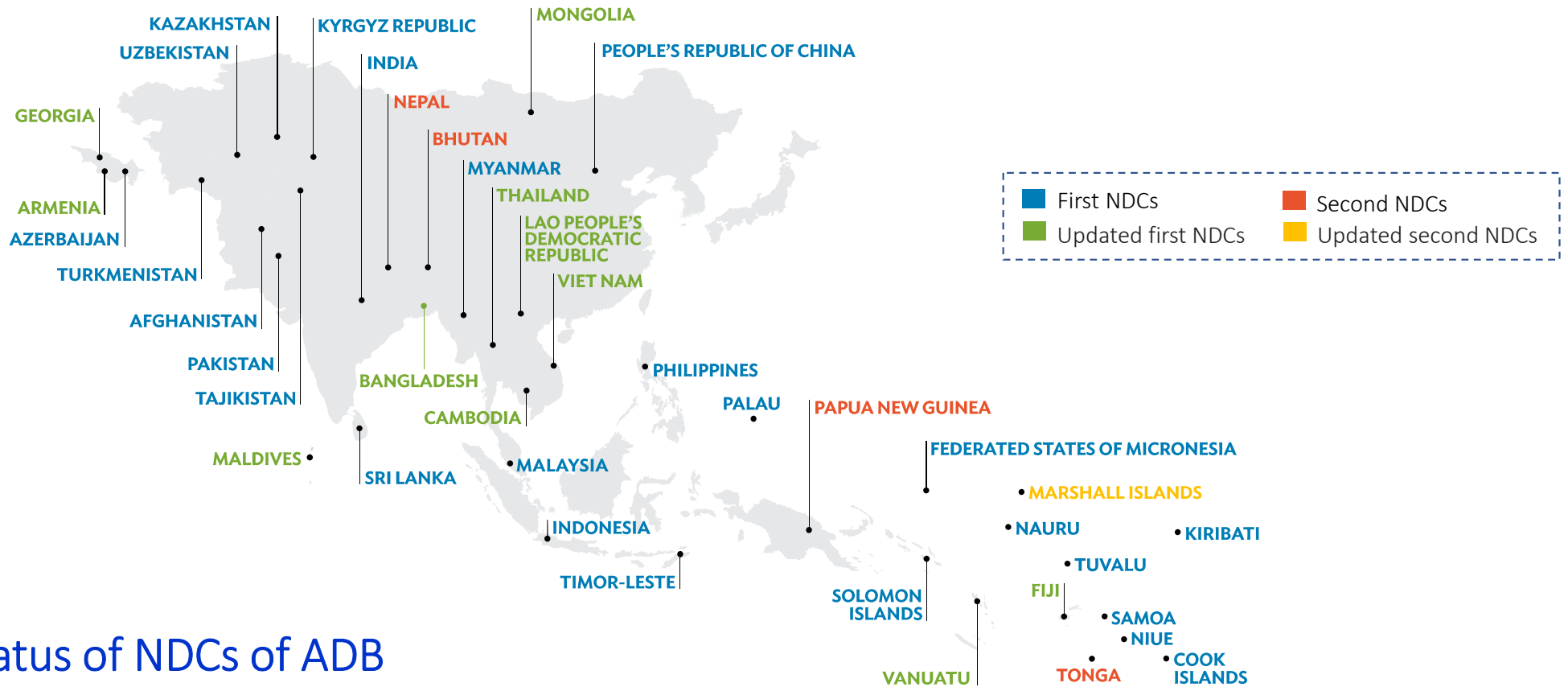
Source: COVID-19 Recovery. A Pathway to a Low-Carbon and Resilient Future. ADB. 2020

# Recovery must be people-centered

ADB promotes a Holistic Approach for Building Resilience



# We need to translate commitments into action



## Status of NDCs of ADB Developing Members

Source of base map: [ADB Annual Report 2019](#) | Asian Development Bank

## Limited public funds can be used to unlock private sector resources

- We need an effective menu of financing instruments to reach the level of resources required
- We must make the transition affordable and ensure financing flows to those countries committed to climate action

### ASEAN CATALYTIC GREEN FINANCE FACILITY

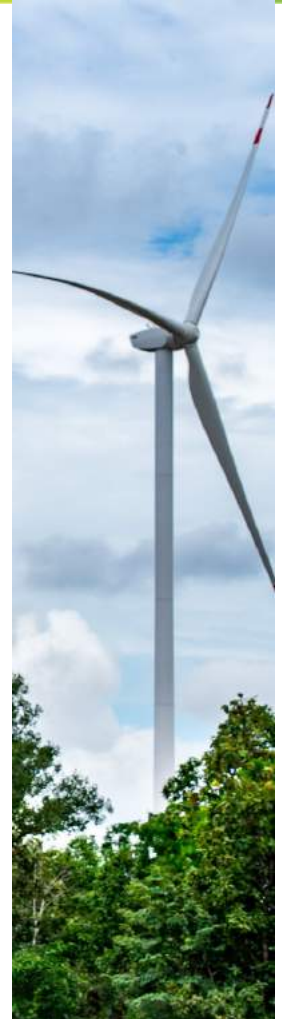
*An ASEAN Infrastructure Fund Initiative*



Investment Principles  
and Eligibility Criteria

# Road to COP26 and Beyond

1. How do we address the often-competing objectives of rapid transition to net zero and affordability of the measures involved?
2. How do we foster strong coordination across and within governments on the pathway to net zero?
3. How do we best use technology to enable actions?





# Thank you!

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