

**STATEMENT
of the Asian Development Bank
for presentation by
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Head, ADB Delegation to COP 8**

**To the Eighth Conference of Parties to the
United Nations Convention on Climate Change**

Mister President, Distinguished Delegates,

1. It is a pleasure for me to be here today representing the Asian Development Bank. The environment and environmental protection are in the center of ADB's operations. ADB's strategies are based on an understanding of the critical relationship between economic and social development, and environmental protection. ADB participated as an observer at the Third Conference of Parties that adopted the Kyoto Protocol. I am pleased that we can participate in this Eighth Conference of Parties.
2. Since COP-3, ADB has been working with its developing member countries in building capacity for the Clean Development Mechanism and greenhouse gas abatement. This includes climate change-related technical assistance support to 11 countries for developing national greenhouse gas inventories, and least-cost abatement planning, energy efficiency, and renewable energy. Soon after the adoption of the Kyoto Protocol, ADB undertook a major capacity building exercise with a number of its developing member countries in relation to implement the Protocol and the CDM. Eleven capacity building workshops were held during 2000 to

discuss national-level issues and capacity building needs related to the Protocol and the CDM.

Early this year, ADB brought together several trust fund initiatives provided by the Governments of Canada, Denmark and The Netherlands to launch its Renewable Energy, Energy Efficiency and Climate Change Program -- known as REACH.

Priorities under the Canadian funding to REACH is providing assistance to

- The People's Republic of China and India to reduce greenhouse gas emissions,
- Indonesia, for carbon sequestration, and
- Pacific Island countries, to help them adapt to climate change.

Danish funding under the project supports activities in rural areas across Asia and the Pacific to help reduce greenhouse gas through

- Increasing the efficiency of energy systems,
- Promoting the use of cleaner fuels, and
- Encouraging energy conservation.

3. Funds from The Netherlands are financing a project known as Promotion of Renewable Energy, Energy Efficiency, and Greenhouse Gas Abatement or PREGA.

PREGA covers 15 ADB developing member countries in Asia and the Pacific. The project aims to promote investment in renewable energy and energy-efficient greenhouse gas abatement technologies that will help provide better access for the poor to energy sources, while reducing greenhouse gas emissions and helping the poor in other areas of development. Through PREGA, ADB will continue its work in climate change initiatives through helping developing Asian and Pacific countries build capacity to prepare projects in renewable energy, energy efficiency, and greenhouse gas abatement up to a pre-feasibility level.

Projects identified already include:

- Solar home energy systems in Bangladesh
- Wind power in Pakistan
- Dendro-energy and biomass power generation in Sri Lanka
- Mini-hydropower, rice husk-fired biomass cogeneration, and power capacitor installation in Cambodia, and
- Geothermal and hydropower development in Viet Nam.

PREGA is also covering energy efficiency improvement projects in the power and cement industry sectors in the People's Republic of China, and the sugar industry in the Philippines. Financing of other pre-feasibility studies will likely come from The Netherlands. PREGA may be expanded with support from other multilateral financing institutions, other donor governments, the Global Environment Facility, and the CDM. PREGA will also address policy and institutional development support needed in Asia and the Pacific, and further development of technologies covered under PREGA.

4. ADB is now considering the establishment of a Clean Development Mechanism Facility that would finance projects and other initiatives to reduce or sequester greenhouse gas emissions, while also contributing to sustainable development. If this facility is approved, projects and their funding would be additional to ADB's regular lending and investment operations.

5. In conclusion, I am pleased to state that the Asian Development Bank will continue to provide assistance to its developing member countries to help them meet both their climate change needs as well as their obligations under the Climate Change Protocol. ADB priorities in its assistance also include enabling its developing member countries to benefit from cooperative implementation mechanisms and approaches to sustainable development. ADB continues to promote the development of

- Efficient and clean energy sources that will have national, regional and global benefits,
- Capacity building, appropriate project development, and
- Access to funds for development.

We look forward with keen interest to the outcome of COP8, and future Conferences of Parties. Cooperative approaches to climate change will be essential in addressing the issues that emerge and the goals that are set.

Thank you.