



URBAN FINANCING PARTNERSHIP FACILITY

ANNUAL
REPORT 2016

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An aerial view of Karachi, which is the largest city of Pakistan and the capital of the province of Sindh. It is the center of all trade activities including banking, industry and other economic activities.

INTRODUCTION

The Asian Development Bank's (ADB) support to urban development in the Asia-Pacific Region is based on its Urban Sector Strategy approved in 1999 and later the approval of 2012–2020 Urban Operational Plan (UOP) to address the vision of ADB's Strategy 2020. The launch of its Urban Financing Partnership Facility (UFPF) in 2009 has helped support innovative solutions in the urban space. Support from the UFPF largely addresses work in ADB's urban development and water divisions, which together constitute the Urban Sector Group (USG). The USG's Secretariat is responsible for managing the UFPF in addition to other trust funds and knowledge activities.

Leading through to 2030, the USG will support the strategic targets of ADB's proposed Strategy 2030, and the Sustainable Development Goals (SDGs), primarily on Goal 11: Making cities inclusive, safe, resilient, and sustainable, and other goals associated with urban development. This includes scaling up previous activities with potential for supporting competitive, green, and inclusive growth, and leveraging climate financing.

As a result of ADB combining the equities of its Ordinary Capital Resources and Asian Development Fund (concessional finance window), urban sector investments are expected to increase to around \$4 billion annually in 2019 from the current \$2 billion loan and grant approval portfolio. ADB also intends to double its annual climate financing to \$6 billion by 2020—a resource that the sector group intends to tap into for related mitigation and adaptation measures.

The USG will synergize all trust funds and programs it manages to add value in project design and test innovations. In addition to the Urban Environmental Infrastructure Fund (UEIF) and Urban Climate Change Resilience Trust Fund (UCCRTF), the USG also manages the Cities Development Initiative for Asia (CDIA), the Sanitation Financing Trust Fund (supported by the Bill & Melinda Gates Foundation) and the Water Operators Partnership Program (supported by the Japan Fund for Poverty Reduction). In addition, it manages an Incubation Program for cross- sector and thematic work in cities called the Future Cities Program.

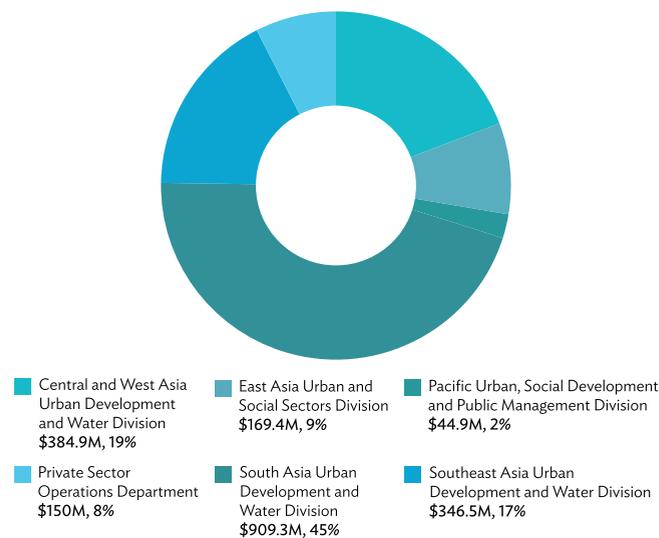


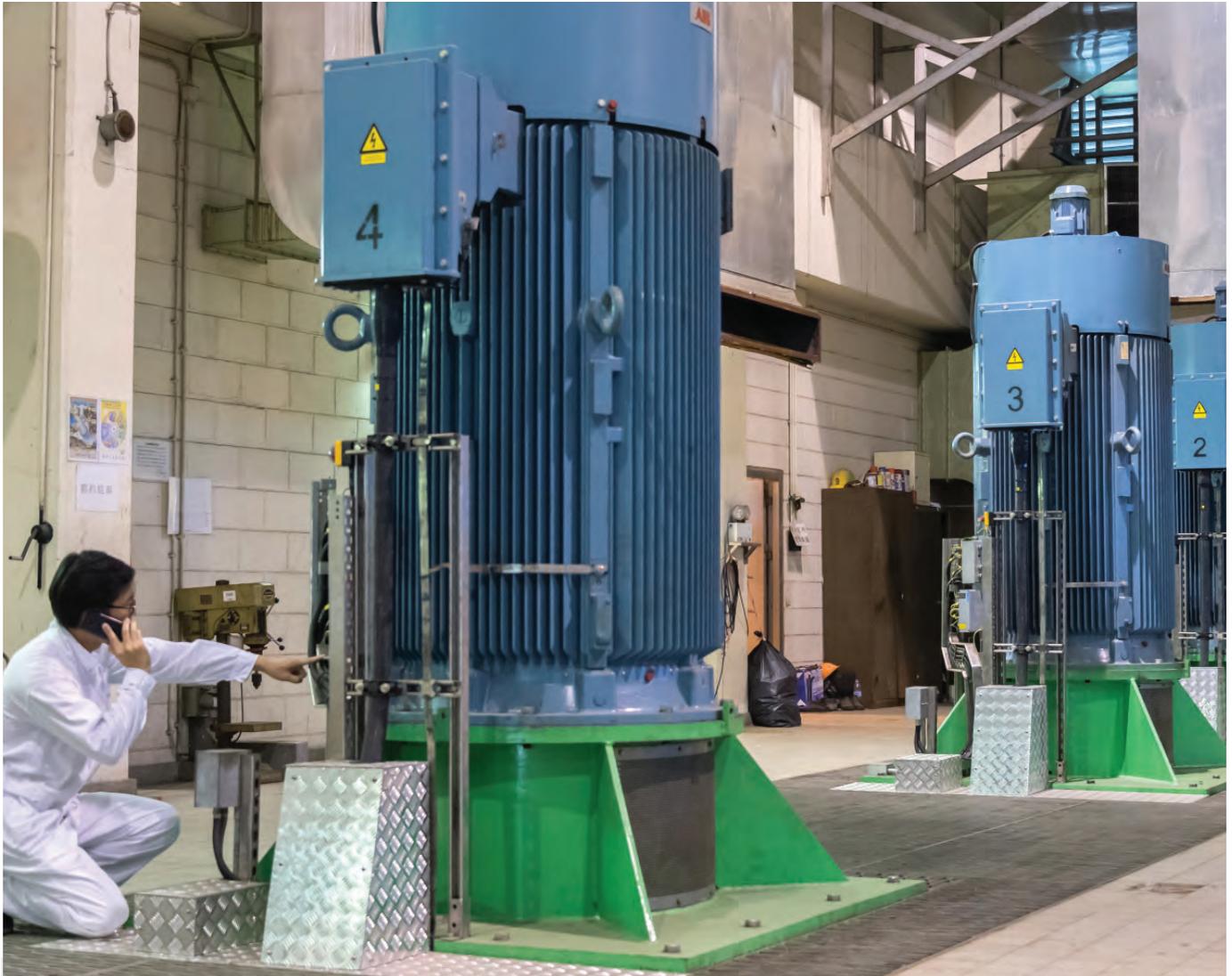
The rehabilitation of the Suzhou Creek in Shanghai has improved the environment of large areas of Shanghai by improving sanitation services and also by providing greater access to parks and green spaces along the riverbanks.

The following two sections provide an update on the UEIF and UCCRTF culminating in an overview of the work plan for 2017. The following year is expected to see more focus on implementing approved investment grants and an increased focus on knowledge sharing and learning on urban resilience.



Urban Sector Group Portfolio by Department 2016





Pumping station equipment at the Sha Tin Sewage Treatment Plant, People's Republic of China.

URBAN ENVIRONMENTAL INFRASTRUCTURE FUND

Overview

On 2 December 2009, the Asian Development Bank (ADB) approved the establishment of the Urban Environmental Infrastructure Fund (UEIF) under the Urban Financing Partnership Facility (UFPF). Parallel to this approval was the commitment of the Government of Sweden to contribute about \$14 million for the UEIF, followed by an additional contribution of \$7 million in 2011.

Highlights

Projects

Six previously funded activities were completed in 2016, and several investment grants have started to gain significant progress. About \$1.5 million (7%) of the funds remain uncommitted, which increased from last year's \$1.35 million due to the savings recovered and accounted from the completed UEIF-supported activities.

Knowledge and Learning

Three new direct charge applications to support knowledge and learning in the region were approved with total funding commitment of \$303,500. The activities focused on resilient cities, social development and gender. To promote ADB's work in urban development and water, the UEIF will support selected journalists from developing member countries (DMC) to a side event at ADB's 50th Annual General Meeting in Yokohama, Japan in May 2017.



Workers on a major urban infrastructure project in Melaka, Malaysia.

THE YEAR IN REVIEW

Completed Projects

Six technical assistance (TA) activities supported by UEIF were completed in 2016

PHI: Solid Waste Management Sector Project, a project preparatory technical assistance with a \$200,000 financing component from UEIF.

KAZ: Alternative Urban Infrastructure Financing Modalities, a capacity development technical assistance with a \$1million financing from UEIF. A possible lending opportunity from this TA has been identified and is being discussed with the Kazakhstan government.

ARM: Sustainable Urban Development in Secondary Cities, also a capacity development technical assistance with a \$660,000 financing from UEIF.

ARM: Solid Waste Management Improvement Investment Program, a project preparatory technical assistance with a \$50,000 financing component from UEIF.

REG: Addressing Disaster Risk through Improved Indicators and Land Use Management, where UEIF provided \$100,000 to support the preparation of the publication entitled, “Incentives for Reducing Disaster Risk in Urban Areas,” which presented the TA’s outputs and experiences in Da Nang (Viet Nam), Kathmandu Valley (Nepal), and Naga City (Philippines). The publication is available at: <https://www.adb.org/sites/default/files/publication/185616/disaster-risk-urban.pdf>

SRI: Trincomalee Integrated Urban Development Project, where UEIF provided a \$225,000 direct charge financing support to supplemental activities of the project preparatory technical assistance to identify strategic economic interventions for the Trincomalee Metropolitan Urban Development Area, and urban development interventions for the Trincomalee town.



Sanitation workers in a transfer station in the People's Republic of China.

Ongoing Projects

Significant progress was achieved on approved investment grants in 2016:

MON: Ulaanbaatar Urban Services and Ger Areas Development Investment Program, a \$3.37 million civil works contract for water and sanitation works was awarded on October 2016. Implementation is on-going with a total disbursement of \$337,000 as of 31 December 2016.

CAM: Southern Economic Corridor Towns Development Project, the preparation of the detailed engineering design of the materials recovery facilities (MRF) for the towns of Battambang, Bavet, and Poipet is ongoing. As the engineering designs for the MRFs were included in the contract of the main project's engineering design consultant, the cost allocated for the engineering design preparations for the MRFs will be re-allocated to the civil works cost to also cover cost overruns as a result of the project's implementation delay. The civil works contract packages are expected to be awarded by March 2017.

IND: Karnataka Integrated Urban Water Management Investment Program, UEIF is financing the development of community sanitation facilities through an output-based aid modality. The process of recruiting an NGO is still on-going. Once recruited, the NGO will manage the component including the identification of beneficiaries. Awarding of civil works packages are expected to follow after the finalization of beneficiaries.



Newly installed water supply system in the municipality of Mahayahay, Davao del Sur, Philippines.

Knowledge and Learning

Three activities related to knowledge and learning were funded by UEIF for 2016, all through direct charge.

First is a \$10,000 financing that supported part of ADB's participation in the organization of the **Resilient Cities Asia-Pacific Conference in Melaka, Malaysia 2–4 March, 2016**. This activity is part of ADB's support to the cities of Melaka (Malaysia); Songkhla, and Hat Yai (Thailand); and Medan and Batam (Indonesia) in the preparation of their Green City Action Plans. UEIF in particular funded the participation of selected city officials from the three cities to the conference.

The second activity that UEIF supported in 2016 is entitled “**Towards gender-and-socially inclusive smart and safe cities,**” which will document, profile, and present ADB-related and other emerging practices in promoting inclusive development in cities and urban areas. Focus will be on innovative practices in pro-poor, gender and socially inclusive urban development (including urban transport and communication), policy development, and program and project design and implementation. UEIF funding for this activity is \$225,000. The culminating activity will be a Sub-regional Conference on Smart and Safe Cities in South Asia within Q3 of 2017, to be held in India.

The third activity with a funding support of \$68,500 was to support DMCs' **Journalists Program of ADB's Department of External Relations (DER)**. UEIF will support a special capacity building activity for 18 selected journalists for capturing urban development and water issues in their respective countries in delivering their work, and to brief them as well on how ADB is working in DMCs to make cities responsive and resilient to issues such as climate change and disasters. The event will be one of the side events to be organized at ADB's 50th Annual General Meeting in Yokohama, Japan to be held from 4–7 May 2017.



A Ger area community in Mongolia.

FINANCIALS

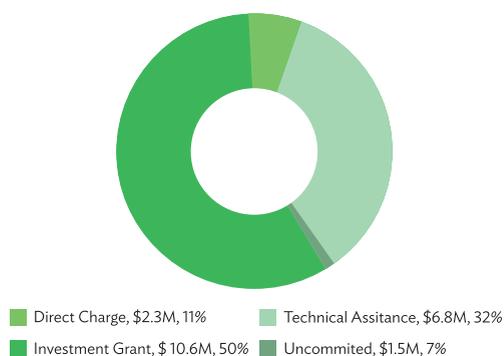
Cumulative

As of 31 December 2016, UEIF has committed a total of \$19.7 million for 42 projects and activities, of which 20 have been completed. With total disbursements from these projects and activities amount to \$5.8 million.

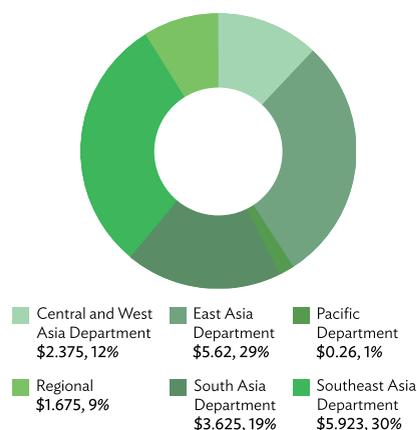
A total of 42 projects and activities financed by UEIF include 6 investment grants (IG), 19 technical assistance projects (TA), and 17 direct charge (DC) activities. Of the 20 completed projects, 12 are technical assistance projects, and 8 are direct charge activities. In terms of monetary value, 50% of the fund is allotted to project investment grants.

Among the regional departments, majority of the UEIF allocations were on projects and activities in Southeast Asia at 30%, followed closely by East Asia at 29%.

Approved Allocations by Modality



Approved Allocations by Region





The streetscape of Suva, Fiji.

Lessons Learned

Given that about half of the UEIF funds are committed to investment grants, disbursement against total commitment has been low due to the delayed start-up of the projects. Since the start of the year, new commitments were given to smaller activities with immediate demand for commencement. These activities include project preparation and stand-alone activities such as studies to support project preparation and capacity development. UEIF will now focus more on innovative project design with the remaining funds will continue for these types of activities.

Work Plan 2017

For 2017, part of UEIF's remaining funds will be allocated to support the preparation and implementation of the **Revitalizing Informal Settlements and their Environments (RISE) project in the cities of Suva (Fiji) and Makassar (Indonesia)**. The project is a product of the city diagnostics work done under the Establishing the Future Cities Program (FCP) Regional Technical Assistance, and will help extend decentralized water supply and sanitation services to informal settlements. The project uses a "Water-Sensitive" approach which provides clean water, sanitation, and flood protection in ways that protect water resources and the environment, provide, more green spaces and biodiversity, and make settlements more resilient to climate change.

Other innovations to be piloted include architectural resilience, microeconomic reform, sustainable financing and community led design. The RISE project has an estimated cost of \$32.0 million to be financed on a grant basis from various sources including the Wellcome Trust (UK), Monash University (AUS), and possible additional capex from the Japan Fund for Poverty Reduction (JFPR), UCCRTF and the Australian Department of Foreign Affairs and Trade.

CITY LEVEL ACTIVITIES

Central and West Asia

Armenia

Yerevan, Gryumin, Vanadzor, Dilijan, and Jermuk
UEIF Grant: \$ 660K
Linked ADB Loan: \$ 400M
Activity: Urban transport

Azerbaijan

Qazakh, Aghstafa, Dashkasan, Gadabay, Goranboy, Samukh, Goygol, Tovuz, and Shamkir Rayons, and Nakhchivan City
UEIF Grant: \$ 450K
Linked ADB Loan: \$ 50M
Activity: Solid Waste Management

South Asia

India

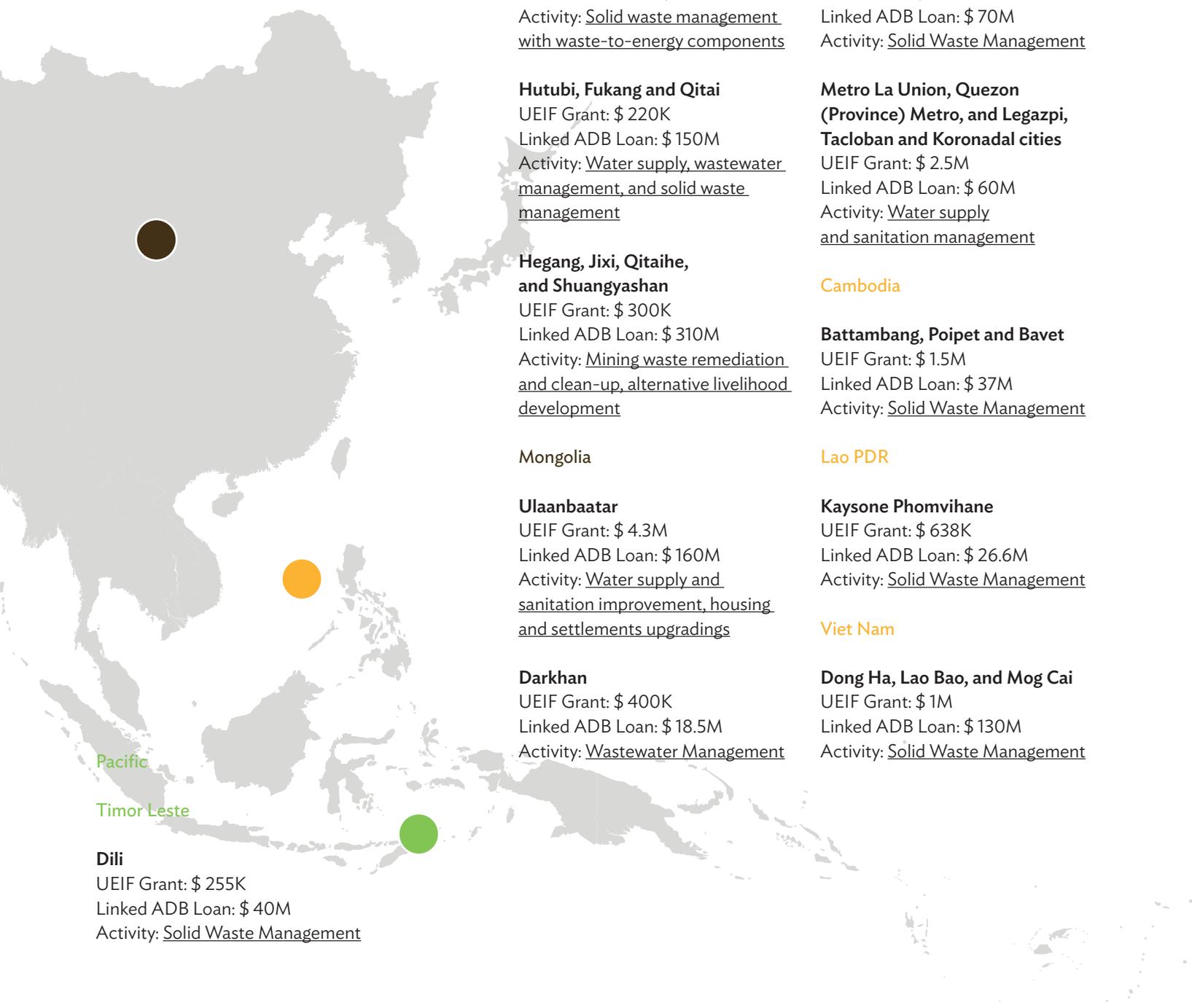
Harihara and Byadgi
UEIF Grant: \$ 1.8M
Linked ADB Loan: \$ 75M
Activity: Water Supply and Sanitation Expansion

Selected cities in the State of West Bengral and the State of Maharashtra
UEIF Grant: \$ 225K
Activity: Sanitation and waste management

Sri Lanka

Trincomalee
UEIF Grant: \$ 225K
Linked ADB Loan: \$ 85M
Activity: Urban environmental management including climate resilience, wastewater and solid waste management





East Asia

People's Republic of China

Hunan Province Cities

UEIF Grant: \$ 225K
Linked ADB Loan: \$ 150M
Activity: Solid waste management with waste-to-energy components

Hutubi, Fukang and Qitai

UEIF Grant: \$ 220K
Linked ADB Loan: \$ 150M
Activity: Water supply, wastewater management, and solid waste management

Hegang, Jixi, Qitaihe, and Shuangyashan

UEIF Grant: \$ 300K
Linked ADB Loan: \$ 310M
Activity: Mining waste remediation and clean-up, alternative livelihood development

Mongolia

Ulaanbaatar

UEIF Grant: \$ 4.3M
Linked ADB Loan: \$ 160M
Activity: Water supply and sanitation improvement, housing and settlements upgradings

Darkhan

UEIF Grant: \$ 400K
Linked ADB Loan: \$ 18.5M
Activity: Wastewater Management

Southeast Asia

Philippines

La Trinidad, Malay, Del Carmen, and Janiuay

UEIF Grant: \$ 200K
Linked ADB Loan: \$ 70M
Activity: Solid Waste Management

Metro La Union, Quezon (Province) Metro, and Legazpi, Tacloban and Koronadal cities

UEIF Grant: \$ 2.5M
Linked ADB Loan: \$ 60M
Activity: Water supply and sanitation management

Cambodia

Battambang, Poipet and Bavet

UEIF Grant: \$ 1.5M
Linked ADB Loan: \$ 37M
Activity: Solid Waste Management

Lao PDR

Kaysone Phomvihane

UEIF Grant: \$ 638K
Linked ADB Loan: \$ 26.6M
Activity: Solid Waste Management

Viet Nam

Dong Ha, Lao Bao, and Mog Cai

UEIF Grant: \$ 1M
Linked ADB Loan: \$ 130M
Activity: Solid Waste Management

Pacific

Timor Leste

Dili

UEIF Grant: \$ 255K
Linked ADB Loan: \$ 40M
Activity: Solid Waste Management



in ADB investments
which are linked to
UCCRTF

The program's goal includes the roll out of

2500 infrastructure projects
cities with climate resilient urban plans
people trained in urban
climate change resilience

and other resilience measures to protect

2.2 million poor people

in the target cities by 2021



“ UCCRTF aims to scale up investments in urban climate change resilience (UCCR), especially for the urban poor, across 25 secondary cities in Asia; and prioritizes seven developing member countries (DMCs) of the ADB: Bangladesh, India, Indonesia, Myanmar, Pakistan, Philippines, and Viet Nam. ”

URBAN CLIMATE CHANGE RESILIENCE TRUST FUND (UCCRTF)

Overview

The Urban Climate Change Resilience Trust Fund (UCCRTF) was established in 2013 to help fast-growing cities in Asia reduce the risks poor people face from floods, storms or droughts by helping to better plan and design infrastructure to invest against these impacts. UCCRTF, a \$150 million multi-donor trust fund, is supported by the Governments of the United Kingdom, Switzerland, United States, and the Rockefeller Foundation.

Highlights

Projects

The investment grant to support additional financing of the **BAN: Coastal Town Environmental Improvement Project**, which emerged from an urban resilience planning process, was approved in 2016. Infrastructure that was identified as being essential to increasing the resilience of poor and vulnerable communities in the Climate Resilient Integrated Urban Plans (CRIUP) for Bagerhat and Patuakhali in Bangladesh is being financed by UCCRTF.

Urban resilience plans for 11 cities in three countries—Bangladesh, Pakistan and Viet Nam—were completed in 2016. UCCRTF is working on integrating climate change resilience into fifteen new urban master plans in Bangladesh and into three city development plans in Pakistan. Best practice on resilience planning has been shared within ADB, and between cities in Bangladesh and Pakistan. Strengthened stakeholder processes (women focus groups, slum committees, ward plans) have been implemented in all the 11 city planning processes.

The interest in urban resilience within the ADB is growing as the value proposition of the fund is becoming clearer to operational departments. \$18.08 million in projects were approved in 2016, which is a 20% increase from 2015 (\$15.18 million). UCCRTF is now linked to about \$1.88 billion lending for infrastructure from within ADB. There is also \$188 million of counterpart domestic financing, which is being pledged against various infrastructure projects. 22% of urban lending in 2016 in UCCRTF countries included urban resilience principles.



ADB Side Event at Habitat III: Financing Urban Resilience: Shifting Paradigms from Protecting Assets to Safeguarding Systems, 17 October 2016

Seed funding for establishing the Spatial Application Facility (SAF) was approved in December 2016 and will initially support projects in Bangladesh and Viet Nam. Among other things, SAF will develop and make available a scalable online system that enables climate change and disaster risk simulation and data visualization, query and analysis (e.g., different sets of data displayed as layers in color coded maps, finding specific data by location and attributes, buffering, clipping specific area, disaster hazard and risk assessment, etc.).

Knowledge and Learning

Subproject 2: Knowledge Management and Resilience Measurement, under the Cluster TA was approved in October 2016. The main outputs include monitoring and reporting on UCCRTF supported activities, the development of a methodology for measuring resilience and collecting baseline data; provision of technical backstopping, capacity development and knowledge sharing activities for targeted cities; and, knowledge capture and dissemination, including the preparation of knowledge products. The request for expressions of interest (EOI) among qualified firms and associations/joint ventures was published in December 2016. The Secretariat aims to mobilize the consulting team in the first quarter of 2017.

Four knowledge products were prepared in 2016, of which two have been finalized and disseminated. This includes the document *Enhancing Urban Climate Change Resilience: Seven Entry Points for Action*, which was published by ADB in November. A video on the same theme, *Seven Entry Points to Building Climate Resilience* was produced by the UCCRTF Secretariat.



Heavy monsoon rainfall in Pakistan have historically caused severe urban flooding in cities such as Sialkot, and will continue to intensify

THE YEAR IN REVIEW

Ongoing Projects

REG: Cluster TA SP1: Developing Integrated Urban Development Plans in selected Developing Member Country cities

UCCRTF financing \$3.95 million.

SP1 has supported urban planning in 10 cities. This has included seven towns in Bangladesh through the preparation of Rapid Urban Climate Change Assessments (RUCCA) that input into the formulation of the climate resilient integrated urban plans (CRIUP) at the city level. In Pakistan, SP1 is financing the formulation of Urban Resilience Assessments (URA) and CDPs in three towns of Khyber Pakhtunkhwa (KPK) province—Abbottabad, Mardan and Peshawar.

Planning activities in the seven towns in Bangladesh have been completed, under which the towns have identified actionable priorities for the next five years. The team of consultants also completed the provision of supplementary inputs to the master plan development process in 16 towns (out of total 30 towns supported under the Third Urban Governance and Infrastructure Improvement Project) to ensure that the process undertaken is participatory and incorporates climate considerations. In Pakistan, the preparation of the CDPs and RUIPs are ongoing and expect to be completed by the last quarter of 2017.

PAK: Punjab Intermediate Cities Improvement Investment Program (PICIIP)

UCCRTF Financing \$225,000 • Loan Amount \$500 million

UCCRTF supported the preparation of the Rapid Urban Assessments (RUAs) and Integrated City Development Strategies (ICDSs), which incorporate a climate risk and vulnerability assessment for two cities in Punjab Province: Sialkot and Sahiwal. The UCCRTF supported framework for urban planning introduced in Sialkot and Sahiwal is expected become a requirement for all other cities in Punjab seeking government investments by early 2017.



A portion of the embankment along Bahriab River in Bagerhat, Bangladesh that will be upgraded through UCCRTF investment grant.

New Projects

In 2016, UCCRTF approved a total of \$11 million investment grants to support specific climate resilience components of two projects and \$6 million for two technical assistance grants. UCCRTF also committed \$1.08 million of funding for seven direct charge activities. Brief descriptions of selected projects approved in 2016 are given below.

BAN: Improved inclusive access to Climate Resilient Infrastructure for Bagerhat and Patuakhali

UCCRTF Financing \$6 million • Loan Amount \$82 million

The towns of Bagerhat and Patuakhali are located in the coastal area and have increasingly been exposed to climate change impacts associated with cyclone related storm surge, tidal and riverine flooding, rainfall induced drainage congestion and urban flooding. UCCRTF will finance the **construction of drainage systems, cyclone shelters, and emergency access roads**. The package also includes the preparation of an integrated drainage plan (IDP), solid waste management (SWM), and fecal sludge management plan. Procurement processes to fast track implementation of the infrastructure projects have been initiated.

IND: Visakhapatnam-Chennai Industrial Corridor Development Program

UCCRTF Financing \$5 Million • Loan Amount \$625 Million

UCCRTF will support the Greater Visakhapatnam Municipal Corporation (GVMC) by **improving capacity for UCCR planning, disaster response preparedness, and by introducing new technologies to improve the resilience of water supply infrastructure**. Specifically, the grant will: (i) provide support to strengthen GVMC's capacity for preparation and implementation of urban climate change resilience strategy, and produce a detailed vulnerability analysis of Vishakhapatnam and model various risks for effective mitigation planning and disaster response preparedness; and (ii) focus on investments in integrated water management solutions. To date, the Secretariat has reviewed the terms of reference for the consultants for the climate resilient urban planning and the SCADA, GIS and hydraulic modeling hardware, software and equipment. Once approved, the Project Management Unit (PMU) and GVMC will proceed with the procurement.



Motorized and non-motorized modes of transport traverse the streets of Sahiwal, Pakistan. UCCRTF project Urban Assessment Report

IND: Kolkata Environmental Improvement Investment Program – P2
UCCRTF Financing \$1 Million • Loan Amount \$200 Million

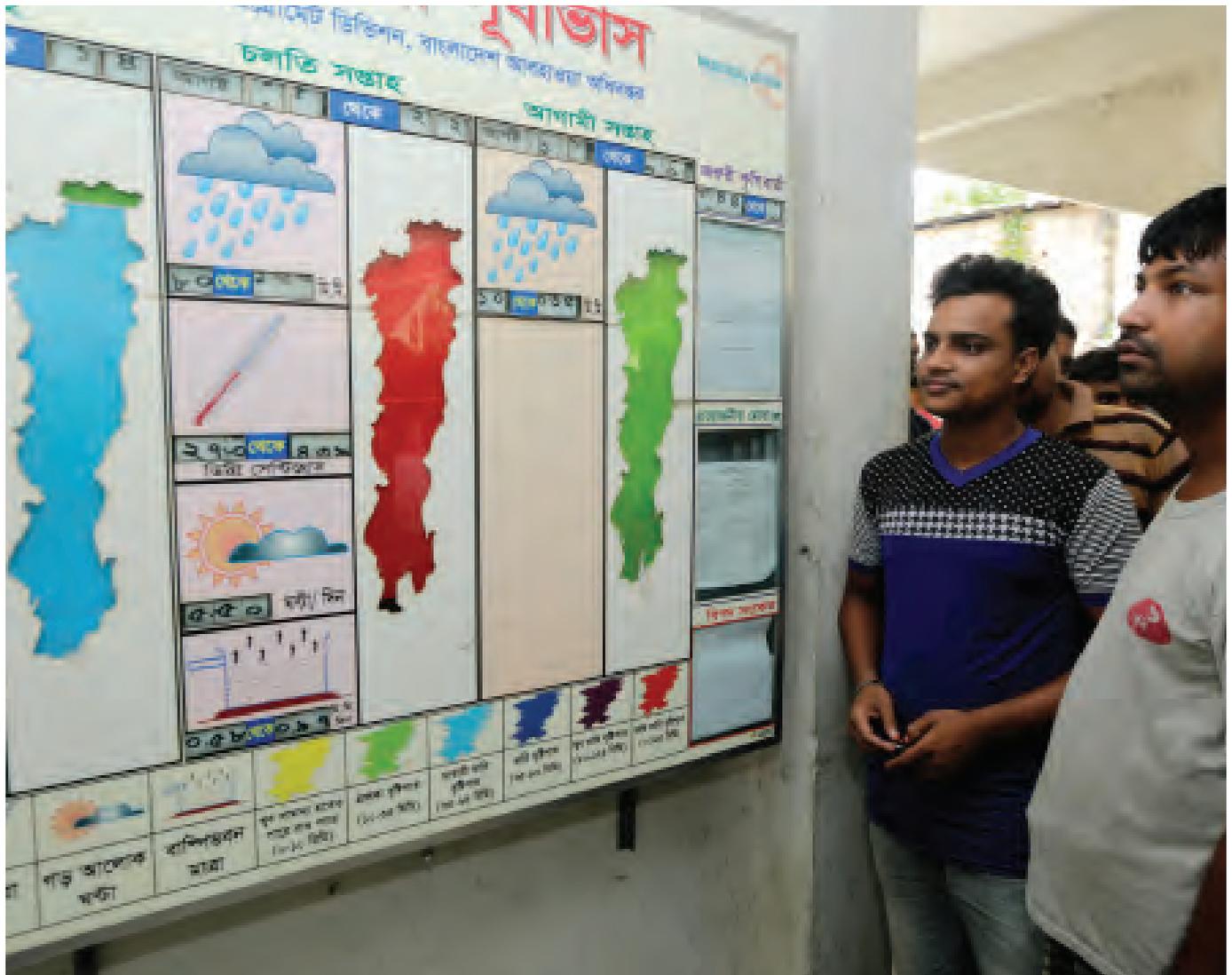
This project is expected to improve service quality, operational sustainability, and climate resilience in the water supply, sewerage and drainage services for Kolkata city. UCCRTF will support activities involving **climate-resilient urban planning and investments in flood warning systems and disaster preparedness**, including capacity development for the management of computer-based monitoring system for flood management. The request for expressions of interest (EOIs) was published in 11 November 2016. Mobilization of consultants is expected by April 2017.

VIE: Ho Chi Minh City Wastewater and Drainage Improvement Project
UCCRTF Financing \$5 Million • Loan Amount \$400 Million

The project will support Ho Chi Minh City's effort to overcome sector challenges and adopt climate change resilience strategies, thereby strengthening its foundation as the socio-economic growth pole of southern Viet Nam. UCCRTF will provide **early support to identify vulnerable areas and communities and design climate resilient infrastructure** as part of the loan preparation process. By financing end-to-end project preparation, UCCRTF will target investments to vulnerable populations, develop overall climate-proofed project design and accelerate ADB's loan implementation to mitigate impacts of climate change.

BAN: Development of Integrated Climate Resilient Responses for Urban Health
UCCRTF Financing \$150,000 • Loan Amount \$150 million

The activity is supporting the Project Preparatory Technical Assistance (PPTA) for additional financing of the Urban Primary Health Care Services Delivery Project (UPHCSDP). The UCCRTF financing will be used to prepare pre-feasibility and due diligence documents and support three components: **capacity building, emergency response, and physical infrastructure that improve health outcomes.**



Local people watch the weather forecast map in Bangladesh

PAK: Climate Change Resilience for City Development Plans: Abbottabad, Mardan, and Peshawar

UCCRTF Financing \$150,000 • Loan Amount \$500 million

The UCCRTF grant component will be used to prepare **regional climate change assessment and the outline city development plans (CDP)** leading to the identification of projects that can be taken into the pre-feasibility study stage by the Cities Development Initiative for Asia (CDIA) and will enable the identification of investments to be included in the MFF for the proposed Khyber Pakhtunkhwa Intermediate Cities Investment Program (KPICIP). This project covers three cities in Pakistan: Abbottabad, Mardan and Peshawar.

Spatial Analysis Facility (SAF)

UCCRTF financing \$906,000

The ADB Spatial Application Facility (SAF) has four main objectives: (i) establish a data repository to host spatial and other urban data that is collected as a part of PPTAs and other ADB activities for future use; (ii) develop and make available a scalable online system that enables climate change and disaster risk simulation and data visualization, query and analysis; (iii) operationalize the relationships with the Knowledge Partners; and, (iv) demonstrate the applicability and usefulness of satellite-based data for urban planning and infrastructure development by providing **flood risk mapping for Hue and Vinh Yen, storm surge mapping for Hue, and updated land use maps and testing of community based apps for flood and disaster risk management for Bagerhat and Patuakhali in Bangladesh.**

The SAF work will also deliver knowledge products, training materials and conduct training and workshops on climate change and disaster risk assessment in coordination with and including contributions from the knowledge partners and consultant.

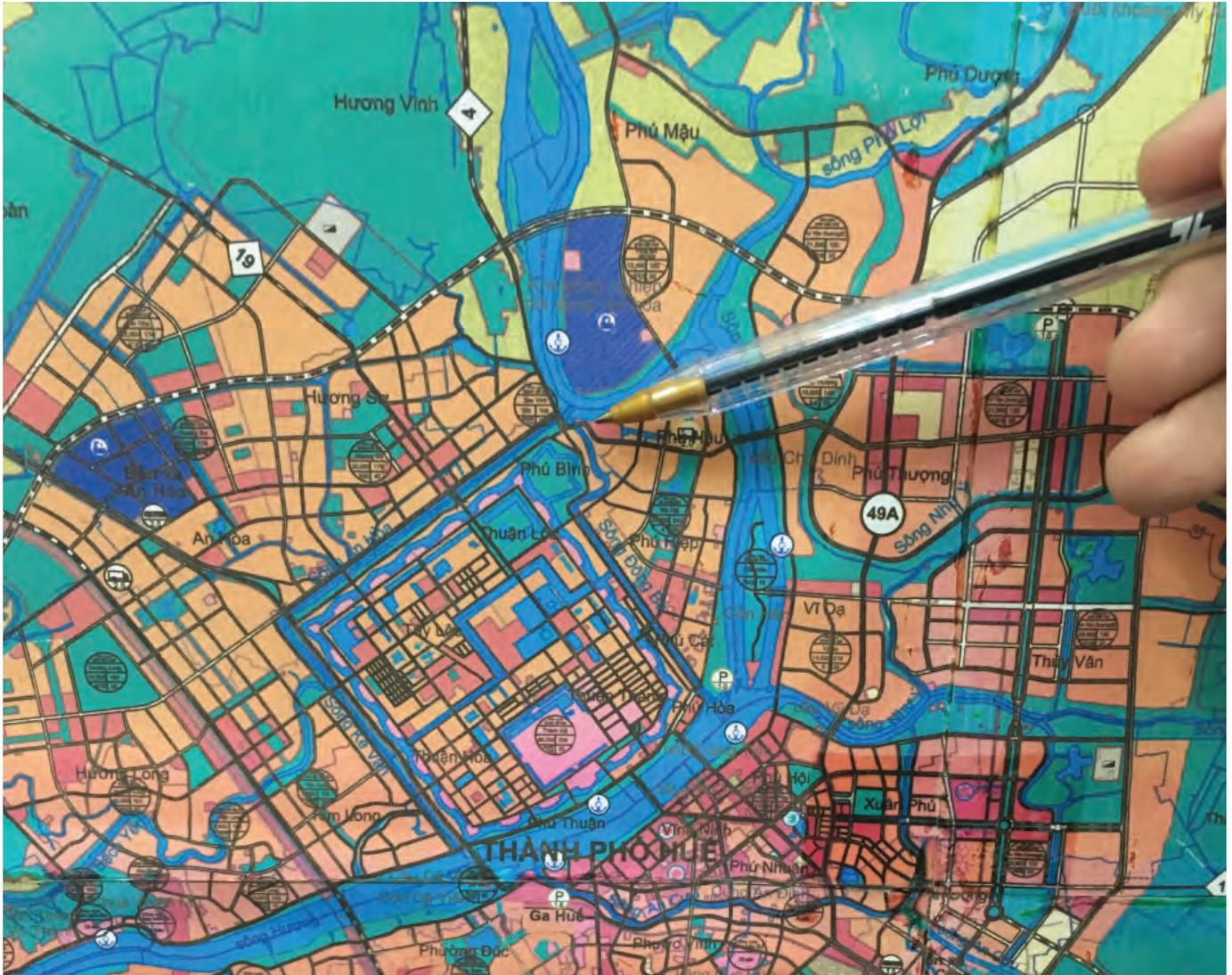


Cho Ben Thành marketplace in central Ho Chí Minh City

Knowledge and Learning

UCCRTF organized a side event at Habitat III in Quito, Ecuador on **Financing Urban Resilience: Shifting Paradigms from Protecting Assets to Safeguarding Systems**. The event was well-attended and included presentations from UCCRTF Financing Partners, namely SECO, and USAID who were joined by representatives from Arup, 100 Resilient Cities, and the City of Quito as part of the panel. UCCRTF also participated in three ADB organized knowledge sharing events: knowledge sharing session on Pakistan, health sector and education sector group presentations to promote UCCR principles and identify opportunities to support the health and education sectors in the urban space.

ADB hosted the session on **Urban Resilience and Climate Friendly Urban Development in the 2016 Urban Roundtable held in Vienna, Austria on 2–3 November 2016**. At this annual event initiated by SECO, ADB presented on the Bank's work with Kolkata, India and UCCRTF support. The participants included representatives from the World Bank, IADB, Cities Alliance and SECO. The interactive session that followed gave participants an opportunity to discuss how cities can make their investments climate resilient.

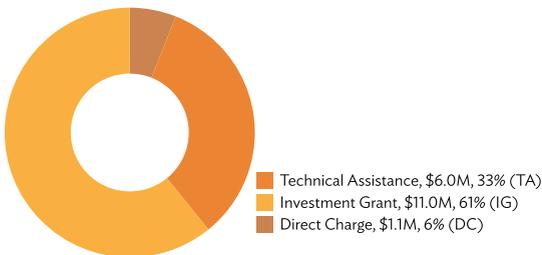


The UCCRTF Team, together with consultants and community based organizations, identify vulnerable areas in the City of Hue in Viet Nam

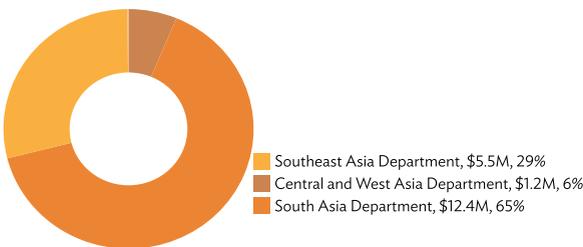
FINANCIALS

Year to Date (2016) UCCRTF Approved Allocations

By Modality



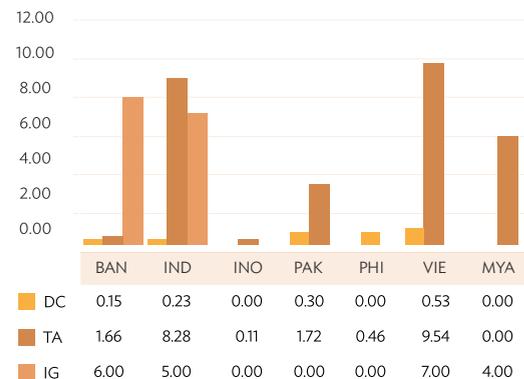
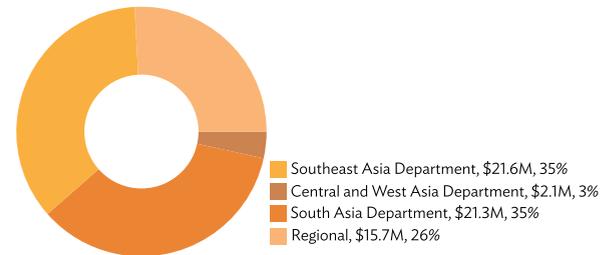
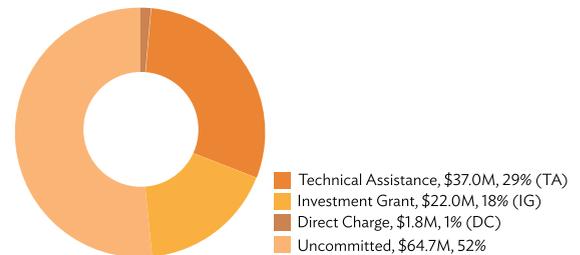
By Region

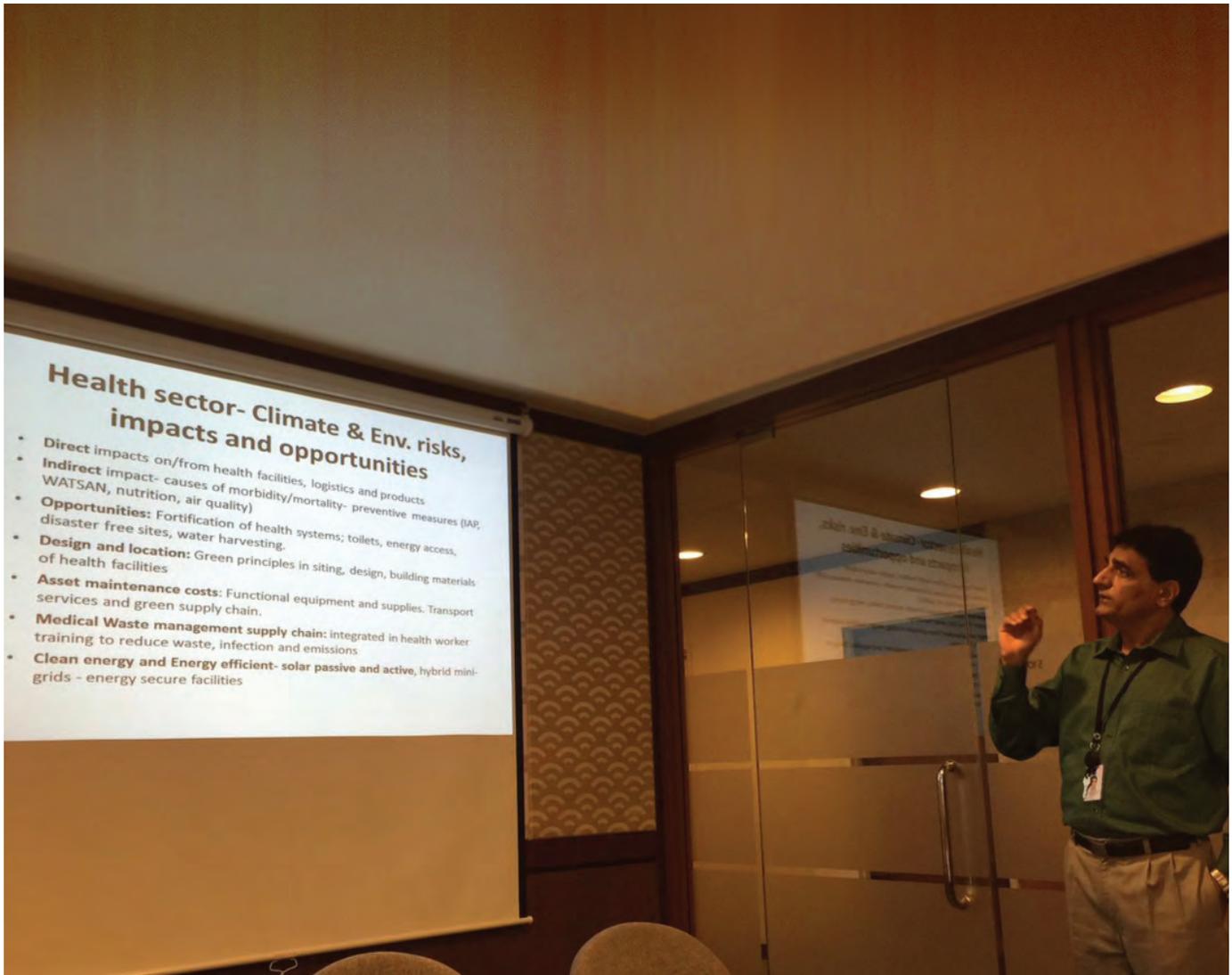


By Country



Cumulative UCCRTF Approved Allocations





UCCRTF participates in ADB knowledge sharing activities to discuss opportunities for building resiliences in various development sectors.

Lessons Learned

Investment Grants are high risk, high reward activities. Investment Grants, despite potentially having great impact, are risky because of their liability to changing political and administrative contexts on the ground. For example, the recent elections in Myanmar and change in the implementing agencies for Dong Hoi and Hoi An in Viet Nam both delayed the implementation of those two grants. As a response to this lesson learned, UCCRTF will prioritize supporting TAs or additional financing of ongoing loans over investment grants in the future.

Planning for resilience does not automatically lead to resilience enhancing projects. Urban resilience plans are more likely to lead to better selection and design of infrastructure projects if resilience planning is carried out by the technical team that will do the PPTA and detailed engineering design (DED). UCCRTF's support for the PPTA and DED for the Ho Chi Minh City wastewater and drainage project is the first example of responding to this lesson learned.

Relying solely on climate-science based risk assessments is not sufficient to ensure that infrastructure projects increase the resilience of the most vulnerable communities. To address this, UCCRTF will now make sure that science-based climate risk and vulnerability assessments are complemented with local level vulnerability assessments for planning and infrastructure development. This approach will be piloted in Abbottabad, Mardan and Peshawar in Pakistan.

Identifying and implementing community-led interventions does not generally emerge automatically from infrastructure planning processes. A significant amount of additional resources, in terms of capacity, time and finance, are required to initiate community-led initiatives. Therefore, UCCRTF will be working with the Rockefeller Foundation grantee HR&A to use the Global Resilience Academy as a methodology to help selected cities design community-led projects, which will be financed through investment grants and Subproject 3 of the UCCRTF Cluster TA.



Evening at the Sule Road towards Sule Pagoda in Yangon, Myanmar.

Ensuring timely disbursement of committed funds requires deep engagement with operational departments and close monitoring. To better monitor disbursements, the Secretariat has put in place a new contract tracking system. Close collaboration between the Secretariat and the ADB Project Officers also helps to immediately address any issues that arise. Detailed financial monitoring of UCCRTF likewise provides timely information to financing partners on disbursements and projections for future fund requirements. These measures have demonstrated to be very effective in facilitating project implementation.

Work Plan 2017

The major shift for UCCRTF in 2017 will be **moving from scoping and approving projects to project implementation**. The investment grants for the cities of Bagerhat, Patuakhali, Dong Hoi, Hoi An and Visakhapatnam will begin implementation. Selected TAs with significant outputs, such as the early warning system for Kolkata and the SAF, will become operational. To better manage the implementation phase, UCCRTF will begin to have a greater local presence in the countries and cities that we are working with through the National Resilience Officers.

With the beginning of significant work on the ground, the main tasks for the Secretariat in the cities that are moving into implementation will be to ensure that recommendations made in the resilience planning phase through climate risk and vulnerability assessments are taken up in the design and location of infrastructure during project implementation and in **capturing and sharing emerging lessons-learned**.

The Secretariat will continue to **promote the urban resilience agenda at national, regional and global forums**, as it did at Habitat III by engaging in forums such as ICLEI's Resilient Cities, InterMET Asia and the ADB Annual Governors Meeting scheduled in May 2017 in Yokohama where UCCRTF is organizing a seminar on Resilient Cities, Driving Growth. Next year, the anecdotal lessons learned will begin to be supplemented by evidence, facts and figures from the ground that we will collect through the new Knowledge management and M&E initiative that is scheduled to start in March 2017.



Mandalay City in Myanmar will enhance its long-term resilience to climate change impacts through the formulation of climate resilient urban planning.

Community-led initiatives will also be taken up as a priority activity for 2017. Currently \$5 million in investment grants have been approved for community level work and an additional \$12 million in investment grants and TA are in the approved pipeline. UCCRTF will work with the Rockefeller Foundation and Asian Cities Climate Change Resilience Network partners in helping define the scope of work for community initiatives in at least six cities in Q1 2017 and will mobilize teams to work with selected communities on the ground by end of the year.

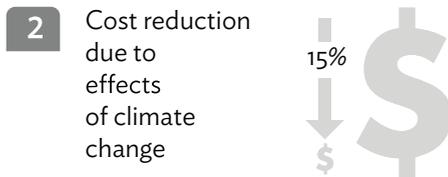
At least nine cities will participate in the **Global Resilience Academy (GRA)**, an intensive grant project development workshop, designed to bring together interdisciplinary teams from cities with technical experts to design projects that address the current and future risks of cities. The 4-day workshop will be held in Bangkok in the third week of March.

In addition to supporting the implementation of approved projects, UCCRTF will continue to **expand the portfolio**. The Trust Fund is expecting \$13 million in new projects in the urban sector to be approved in 2017. This includes Viet Nam Climate Change Resilient Cities Program (\$5 million); Urban Resilient Planning in Yangon (\$2 million); and Revitalization of Informal Settlements and their Environments in Makassar (\$6 million). UCCRTF will also deepen engagement with other sectors and will actively pursue additional projects that are working on urban health, skill development, disaster risk finance, and cross cutting issues like gender to better achieved UCCRTF objectives. At least \$5 million will go towards leveraging cross-sector investments for urban resilience.

DESIGN AND MONITORING FRAMEWORK

Impact

Urban populations, especially the urban poor and vulnerable, are more resilient to the direct and indirect impacts of climate change.



Legend:

● Target ● Approved ● Achieved

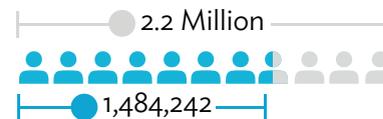
■ On track ■ Delayed

■ Off-track ■ Nothing to Report

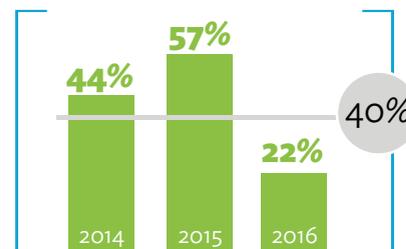
Outcome

UCCRTF-funded projects deliver UCCR benefits; demonstrate potential for integration of UCCR in urban development practice by the ADB, and leverage complementary action and financing by other urban development actors.

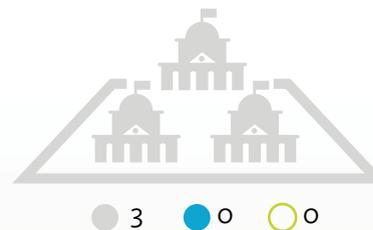
3 Resilience on the negative effects of climate change



4 Value of ADB urban sector lending incorporates UCCR principles



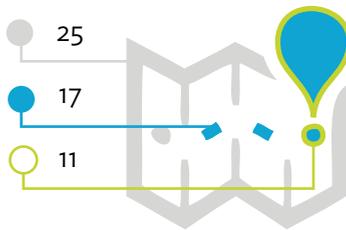
5 UCCRTF-supported DMCs which include UCCR principles in national government strategies



Component 1: Planning and Implementation

Strengthened capacity of public authorities to incorporate UCCR principles into urban and sectoral planning

6 Cities include UCCR principles in local government strategies



7 Cities engage stakeholders in multisectoral and iterative processes for planning and project design

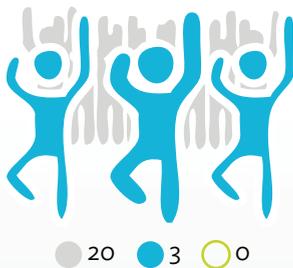
8 Poor and vulnerable stakeholders in project areas are engaged in UCCR activities



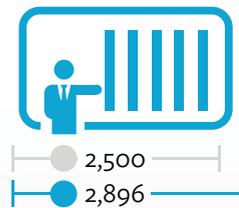
9 Non-physical measures to enhance UCCR are implemented in cities



10 Community-led initiatives that increase resilience are implemented



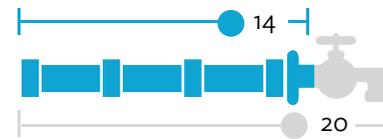
11 Training and awareness building attendees



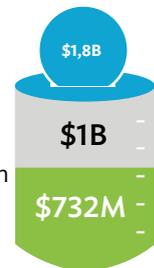
Component 2: Projects and Infrastructure

Public and private sources (including ADB) support and finance UCCR projects

12 Infrastructure projects receive UCCRTF support



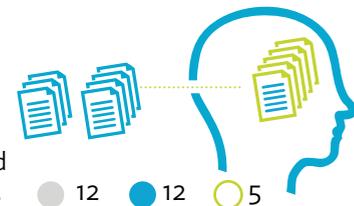
13 \$1 billion in UCCR-related Loan or projects mobilized, including at least \$200 million in non-Loan Amount.



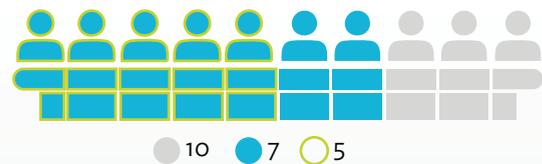
Component 3: Knowledge

UCCR knowledge is created, accessed, and utilized

14 Knowledge products disseminated and their use demonstrated in DMC cities



15 Peer-to-peer learning events completed



CITY LEVEL ACTIVITIES

Pakistan

Abbottabad, Mardan & Peshwar

UCCRTF Grant: \$ 2M

Linked ADB Loan: \$ 100M

Activity: City Development Plan, Climate Resilience and Vulnerability Assistance, Pre-feasibility Studies, Regional Climate Assessment

Sahiwal & Sialkot

UCCRTF Grant: \$ 894,156

Linked ADB Loan: \$ 100 M

Activity: Climate Resilience and Rapid Urban Assessment (RUA), Integrated City Development Strategy (ICDS)

India

Kolkata

UCCRTF Grant: \$ 1M

Linked ADB Loan: \$ 280M

Activity: Flood early warning system

Visakhapatnam

UCCRTF Grant: \$ 5M

Linked ADB Loan: \$ 245M

Activity: SCADA system, UCCR Planning

Bangladesh

Bagerhat & Patuakhali

UCCRTF Grant: \$ 6M

Linked ADB Loan: \$ 1.2M

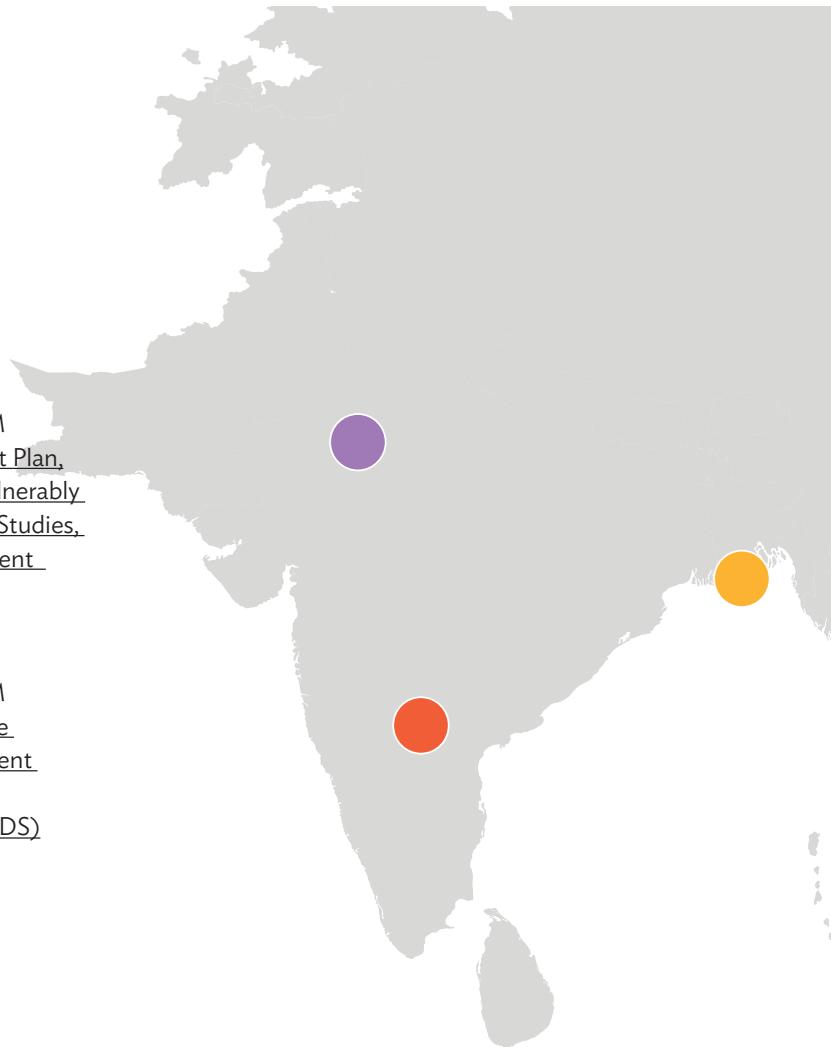
Activity: Drainage, emergency access roads, cyclone shelters, integrated drainage plan, solid waste and Fecal sludge management plan

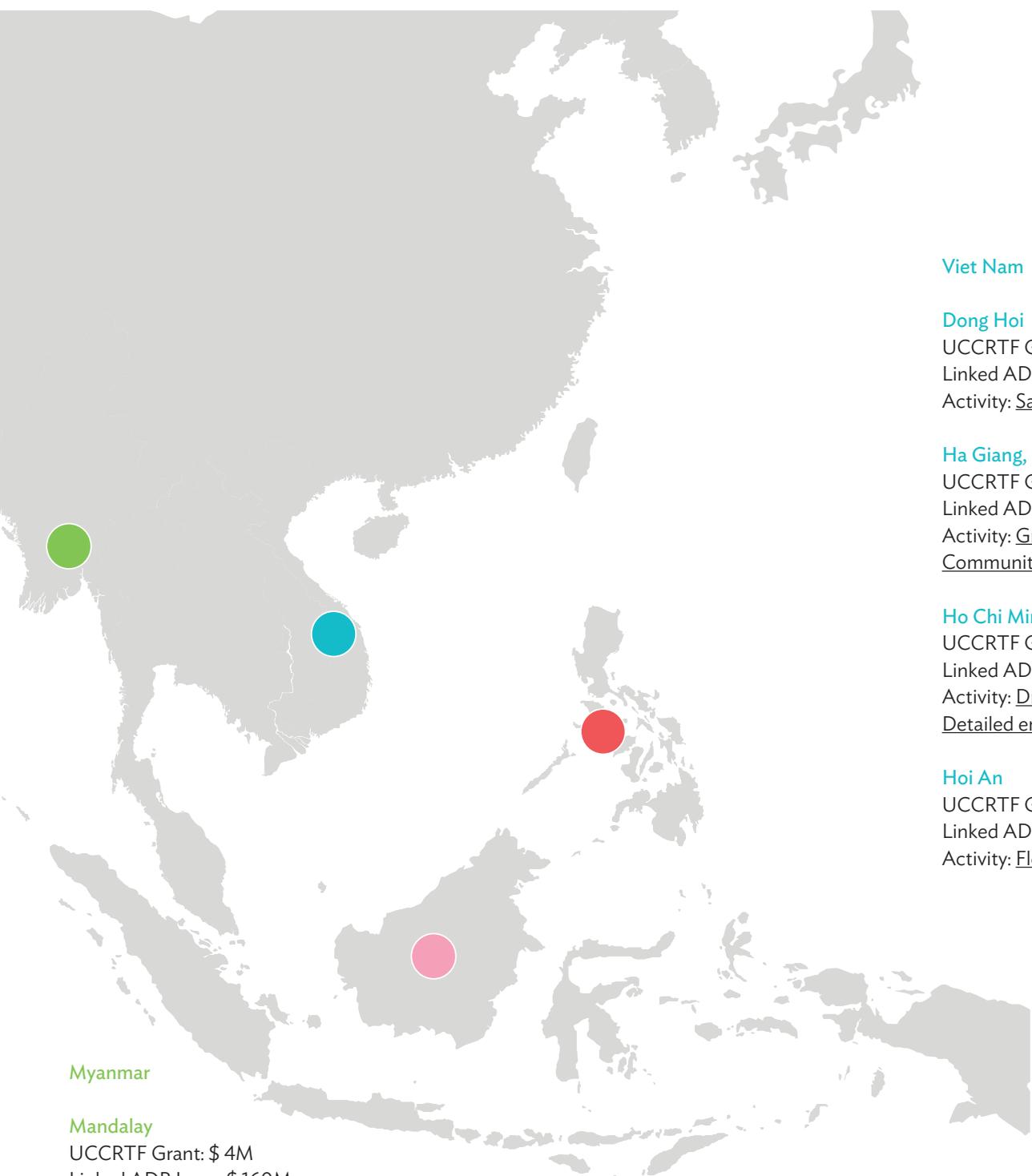
Cox's Bazar, Faridpur, Gopalganj Kushtia & Myemensingh

UCCRTF Grant: \$ 1.6M

Linked ADB Loan: \$ 265M

Activity: CRVA, Climate Resilient Integrated Urban Plan





Viet Nam

Dong Hoi

UCCRTF Grant: \$ 1M

Linked ADB Loan: \$ 300M

Activity: [Sand dune stabilization](#)

Ha Giang, Hue & Vinh Yen

UCCRTF Grant: \$ 7M

Linked ADB Loan: \$ 170M

Activity: [Green City Action Plan & Community Led Initiative](#)

Ho Chi Minh

UCCRTF Grant: \$ 5M

Linked ADB Loan: \$ 400M

Activity: [Drainage master plan](#),
[Detailed engineering drawings](#)

Hoi An

UCCRTF Grant: \$ 3M

Linked ADB Loan: \$ 170M

Activity: [Flood early warning system](#)

Myanmar

Mandalay

UCCRTF Grant: \$ 4M

Linked ADB Loan: \$ 160M

Activity: [Community based solid waste management, urban spatial plan, infrastructure development plan](#)

Philippines

Baguio and San Fernando

UCCRTF Grant: \$ 464,224

Activity: [Pre-feasibility study for drainage and wastewater system](#)

Indonesia

Makassar

UCCRTF Grant: \$ 6M

Linked ADB Loan: none

Activity: [Upgrading informal settlements](#)

About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two-thirds of the world's poor: 1.7 billion people who live on less than \$2 a day, with 828 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 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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