



ADB



International Recovery Forum 2022 Kobe, Japan

*Redesigning Systems for Resilience through
Recovery: Assessing Progress and the Unfinished
Agenda at the Midpoint of the Sendai
Framework*

Panel Session 2: *Recovery for Resilience and Financing Recovery*

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Outline of Presentation

1. Overview of ADB's approach

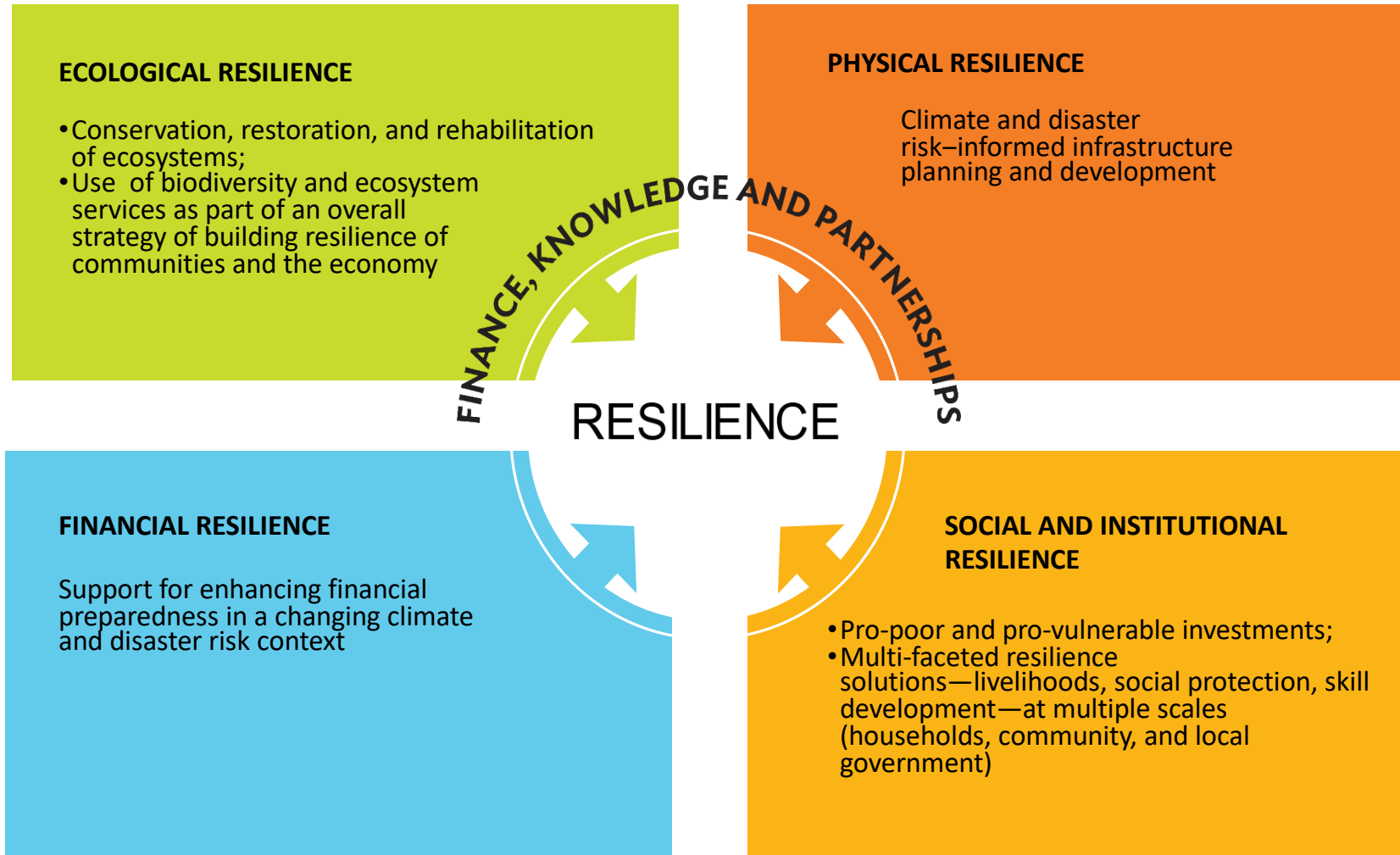
- Disaster resilience
- Recent policy shifts to boost resilience

2. ADB's assistance to Southeast Asian Countries

- Post-disaster support
- Disaster risk financing
- COVID-19 support
- Post-pandemic Green Recovery



ADB's Holistic Approach to Resilience





Overview of ADB Policy Shifts to Boost Resilience

1. Revised Disaster and Emergency Assistance Policy (RDEAP)

- In October 2021, ADB's Board approved an updated policy framework to enhance strategic guidance for ADB's assistance for disasters and emergencies to strengthen resilience, including improved management of residual risk
- Covers risk reduction, preparedness and response

The policy is based on four principles, collectively establishing a solid and systematic framework guiding ADB's disaster and emergency assistance:

- risk management begins with risk reduction;
- disaster and emergency risk management is an integral part of the development process;
- ADB's developing member countries have differentiated risk profiles and, thus, opportunities for enhanced resilience; and
- timely, carefully planned, and well-designed relief, early recovery, and reconstruction interventions and solutions reduce the near- and longer-term social, institutional, and economic impacts of disasters and emergencies and facilitate resilient recovery.



Overview of ADB Policy Shifts to Boost Resilience

2. Revised Emergency Assistance Loan Policy (REAL)

- Established the EAL modality as a policy separate from the DEAP
- Key changes include support for project preparation, reconstruction and retiring the quick-disbursing component.
- Covers early recovery activities such as rehabilitating critical infrastructure and meeting basic needs, as identified by a PDNA

3. Establishment of a Second Window of Assistance under the Asia Pacific Disaster Response Fund (APDRF)

- APDRF was established in 2009 as a special fund to provide fast-tracked grants to any DMC of ADB for life-saving purposes in the immediate aftermath of a disaster
- Finance experts to provide speedy post-disaster technical support for the preparation of PDNA, recovery plans and post-disaster projects
- Enable ADB to participate more consistently in PDNAs as part of a multi-donor team and support the timely processing and start-up of emergency assistance loans (EALs)



ADB's Support to Southeast Asia DMCs Response to Disaster Events (including COVID-19)

ADB's post-disaster financing provides opportunities to build back better and enhance resilience to future disasters.

ADB has approved close to \$10 billion in loans, grants and TA in Southeast Asia over the last 30 years, comprising support for:

1. Natural disasters

- \$400 million in grants and \$1.7 billion in loans for responding to natural disasters (e.g. Indian Ocean Tsunami of 2004; Typhoon Haiyan of 2013; Palu Earthquake & Tsunami of 2018)
- Build Back Better Principles
- Focus on inclusion and addressing disaster risks through greater resilience



ADB's Support to Southeast Asia DMCs Response to Disaster Events (including COVID-19)

2. Contingent Disaster Financing (CDF): A new financing option under ADB's policy-based lending (PBL) modality

- A different take: the CDF policy was amended in April 2020 to include pandemic response and disbursement triggers as part of ADB's overall COVID-19 response, in addition to disasters
- Disaster Resilience Improvement Program (DRIP)
 - **\$500 million** DRIP loan to the Philippines approved in September 2020
 - **\$500 million** DRIP loan to Indonesia approved in September 2020
- **Disbursement triggers:** e.g., declaration of a state of emergency
- **Dual-purpose:** rapid provision of liquidity and introduction of policy reform
- **Innovative** approach linking policy reform with recovery finance



ADB's Support to Southeast Asia DMCs Response to Disaster Events (including COVID-19)

3. Other events such as pandemic

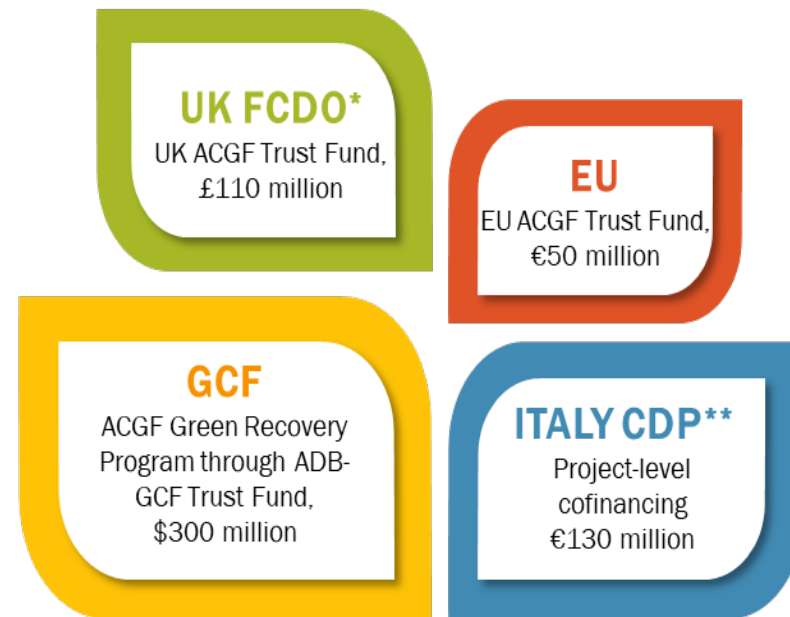
- \$5.413 billion of COVID-19 Active Response and Expenditure Support Program (CARES) loans, emergency social assistance and health support loans, emergency health grants, emergency food assistance, and knowledge support grants
- \$1.1 billion approved (of which \$650 million committed) Asia Pacific Vaccine Access Facility (APVAX) loans for vaccine access and procurement



Building Back Better:

New financing partnership for ASEAN Green Recovery Platform, launched at COP26 in November 2021

- Aim to leverage funds 10 times, using pledges of \$665 million to mobilize an additional \$7 billion for low-carbon and climate-resilient infrastructure projects in Southeast Asia
- Accelerate the region's recovery from COVID-19



The platform is linked to the ASEAN Catalytic Green Finance Facility and brings together partners to support ASEAN developing member countries accelerate green infrastructure pipelines to support a green recovery from the COVID-19 pandemic.



Thank you.

