Second National Forum on Climate Change WELCOME REMARKS BY ADB CAMBODIA SENIOR COUNTRY ECONOMIST AND OIC Phnom Penh, 4 October 2011, InterContinental Hotel, Phnom Penh

- Your Excellency, Dr. Mok Mareth, Senior Minister of the Ministry of Environment
- Mr. Douglas Broderick, UN Resident Coordinator
- Honorable senior management and staff of national ministries/agencies and municipality/provinces of the Royal Government; representatives of the diplomatic corps, development partners, the private sector and non-governmental organizations
- Distinguished Ladies and Gentlemen

I am pleased to be here today to offer welcome remarks on behalf of the Asian Development Bank to this Second National Forum on Climate Change, the organization of which is timely and significant, taking place barely seven weeks to the UN Climate Change Conference of Parties (COP 17) in Durban.

Climate change is one of the greatest challenges faced by mankind. Here in Cambodia, we have been experiencing devastating impacts of climate change droughts, floods and extreme climate events occur with increased frequency and greater intensity. We all are aware of the tremendous destruction caused just over two years ago by Typhoon Ketsana, and even last week by the widespread flooding throughout the country.

Climate change also causes lower agricultural yields, increased water stress and the spread of infectious diseases. As an LDC with low adaptive capacity, Cambodia is highly vulnerable to such impacts. The most unfortunate fact of climate change is that the poorest suffer the most, even though they contribute the least to the problem. As an organization concerned with poverty eradication, ADB is therefore deeply committed to assist Cambodia in addressing the challenges of climate change.

ADB's Strategy 2020 recognizes environmental sustainability including climate change as one of five core priorities of support to our developing member countries (DMCs). Within the climate change area, ADB has identified five operational priorities to address both greenhouse gas mitigation and adaptation in an integrated manner. These include: (i) scaling up clean energy; (ii) encouraging climate-friendly urban development and sustainable transport; (iii) enhancing carbon sequestration through sustainable land use, forestry and agriculture; (iv) promoting climate-resilient development; and (v) strengthening institutions, governance, policies and capacity to address climate change. ADB offers its support to Cambodia in all these five areas.

The Royal Government of Cambodia confirmed its commitment to address climate change by ratifying the United Nations Framework Convention on Climate Change (UNFCCC) in 1995, and acceding to its Kyoto Protocol in 2002. It prepared the National Adaptation Program of Action (NAPA) in late 2006. The NAPA and the Second National Communication to the UNFCCC presented yesterday are closely aligned with the Government's development objectives outlined in the "Rectangular Strategy for Growth, Employment, Equity and Efficiency" adopted in July 2004, and updated as Phase II in July 2009.

Ladies and gentlemen, ADB's specific approach to climate change in Cambodia is reflected clearly in the Country Partnership Strategy 2011-2013, prepared in close consultation with the Royal Government of Cambodia and in line with the National Strategic Development Plan Update 2009-2013, and endorsed by ADB's Board on 5 July 2011. The Country Partnership Strategy identifies environment and climate change as a critical cross-cutting challenge for Cambodia. In Cambodia, ADB will: (i) mainstream climate change challenges in sector analysis and planning and project design, (ii) continue to develop improved approaches to resource conservation in the Tonle Sap basin, (iii) coordinate national and

subregional programs on climate change and the environment, and (iv) access finance from internal and external sources to support climate change activities in new and existing projects

As we heard yesterday, two major programs on climate change are in place in Cambodia: the Cambodia Climate Change Alliance (CCCA) funded by EU, UNDP, DANIDA and SIDA for \$8.9 million, and the Pilot Program for Climate Resilience (PPCR) funded through Climate Investment Funds for about \$87.5 million. These two programs assist the Government to (i) develop appropriate climate change policies, (ii) mainstream climate change concerns into development, including budgeting for climate change at the national and sub-national levels, (iii) effectively engage civil society and the private sector in addressing climate change, and (iv) build capacity of institutions in science-based climate adaptation planning.

The PPCR is being implemented in two phases: Phase 1 is a preparatory grant of \$1.5 million and is implemented by the World Bank, ADB and IFC. Phase 2 aims to achieve transformational change in mainstreaming climate change risks and resilience in development planning. It includes the implementation of 8 projects in agriculture, water resources and infrastructure sectors with a total budget of USD 86 million (USD50 million in grant and USD36 million in highly concessional loan) from CIF, and an additional cofinancing of nearly \$300 million from ADB.

ADB has also been supporting the Royal Government of Cambodia in other areas with substantial climate and development benefits. These projects include renewable energy and energy efficiency, sustainable mass transit systems such as railways, climate friendly urban development in towns such as Battambang through effective solid waste management, and enhanced carbon sequestration and biodiversity conservation in provinces such as Kok Kong and Mondulkiri.

Ladies and gentlemen, I am confident that this forum will provide us a unique opportunity to exchange knowledge, skills, information and useful experiences on ways to address Cambodia's climate change issues relating to adaptation, mitigation, technology development and transfer, capacity building and financing. I also hope that the Forum will help in mobilizing and galvanizing additional support from the development partners that have assembled here today.

I thank you all for coming and I wish you successful deliberations.