

COP20 Side Event on  
Climate Finance and the Role of  
Development Finance Institutions

# **Climate Finance and the Role of Development Finance Institutions - JICA's Approach-**

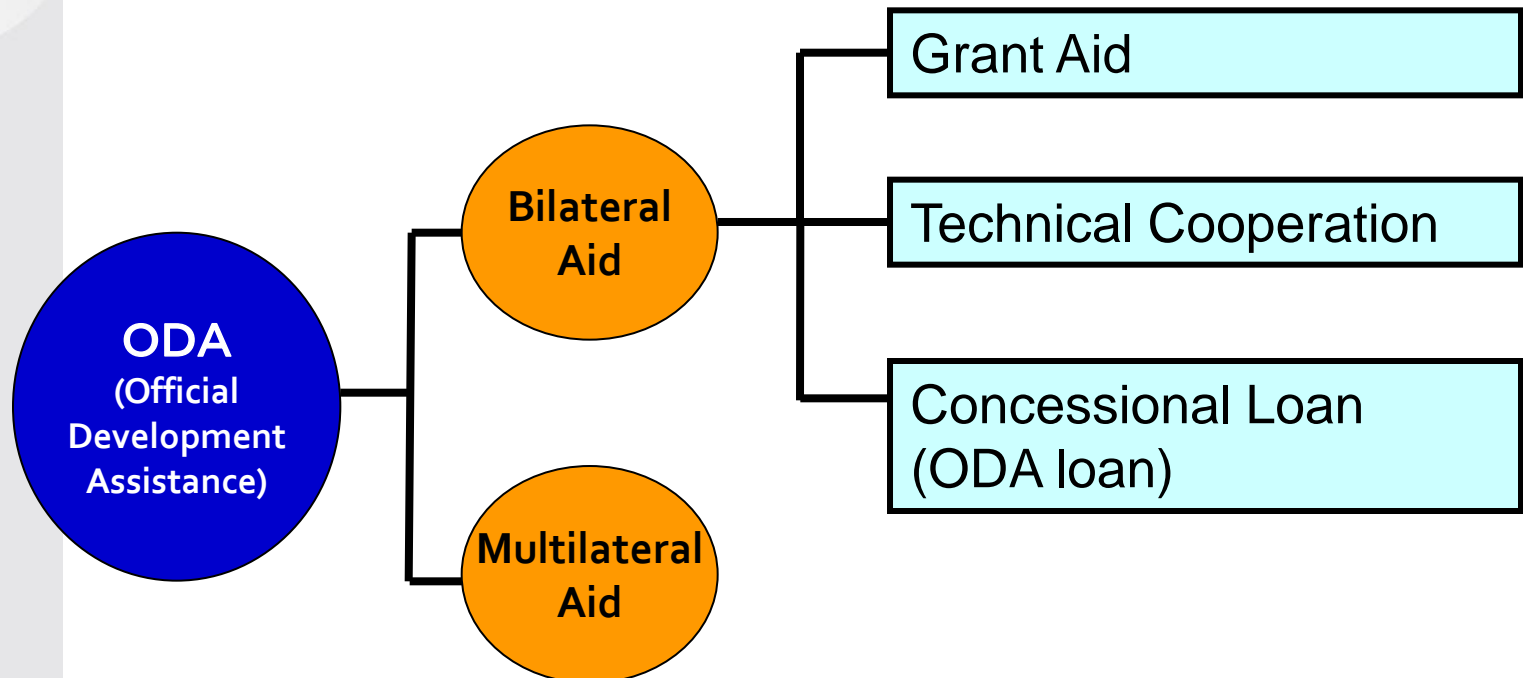
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6<sup>th</sup> December, 2014  
Japan Pavilion

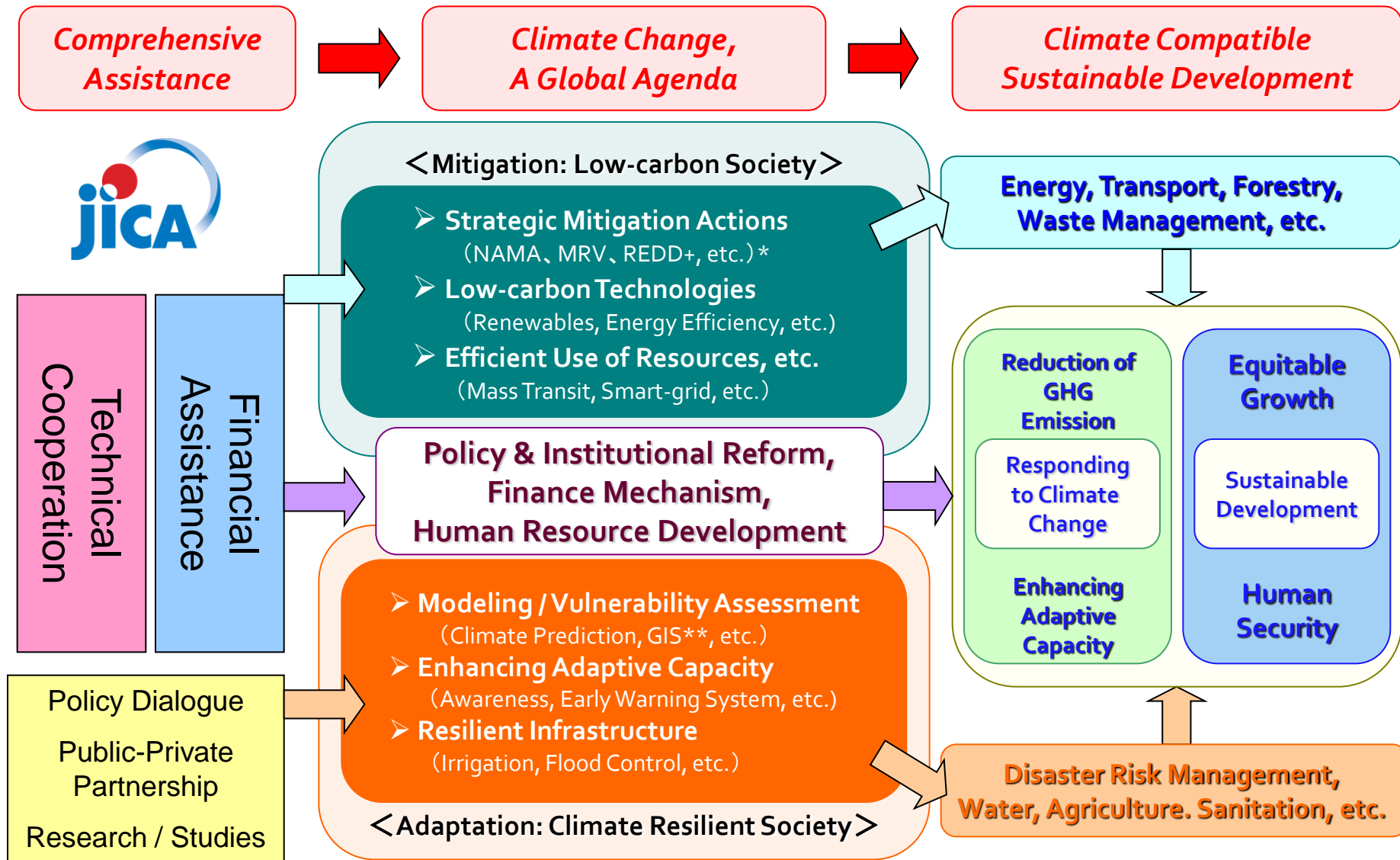
# About JICA

JICA extends Japanese ODA (Official Development Assistance) through integrated implementation of grant aid, technical cooperation and concessional loan.

Annual commitment was over US\$15 billion in 2013.



# JICA's Approach: Low-Carbon and Climate Resilient Development Cooperation

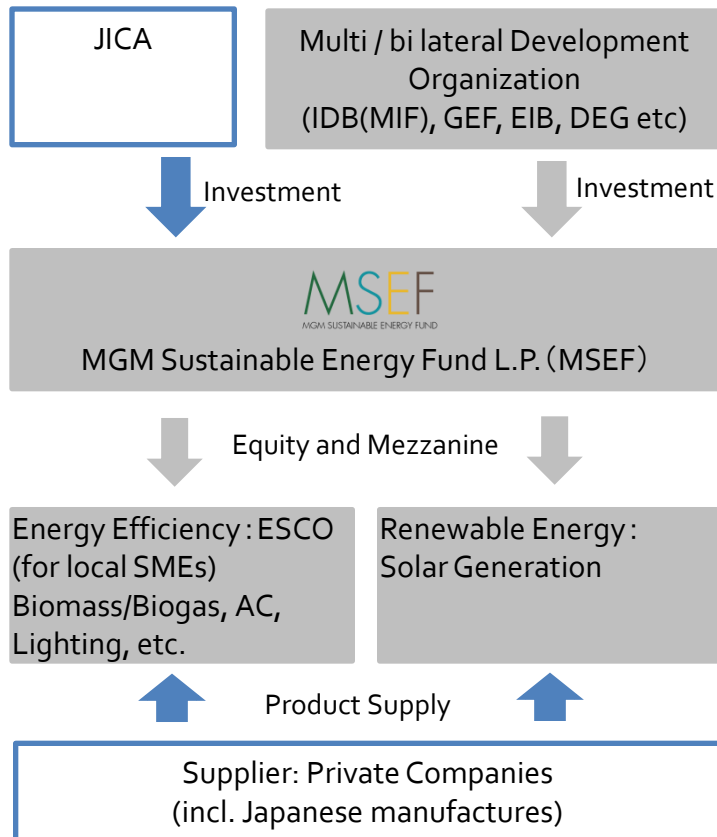


• NAMA (Nationally Appropriate Mitigation Actions)  
 MRV (measurable, reportable, verifiable)  
 REDD+ (Reduction of Emission from Deforestation and Degradation)  
 \*\*GIS (Geographic Information System)

# Latin America and Caribbean Sustainable Energy Project (Fund)

## Project Overview

Through investment in the Fund, to promote climate change mitigation in Colombia, Mexico, Central America, and the Caribbean islands by supporting efforts of Energy Efficiency projects and Renewable Energy projects.



### 1. Promotion of climate change mitigation in Latin America and the Caribbean islands

- ✓ To support the climate change prevention through the efforts of Energy Efficiency (e.g. commercial, municipal and industrial efficiency) and small-scale Renewable Energy (Solar) in high potential area of Latin America.
- ✓ Encourage the foot expansion of Energy Efficiency and Renewable Energy in Latin America, and those that contribute to the efforts of climate change prevention.

### 2. Promote the use of Cutting Edge Technology

- ✓ Reputable, established suppliers of well known technology and counterparties with high energy efficiency technologies are actively utilized. Among them, Japanese companies have excellent technologies which contribute to solve those issues in Latin America.

### 3 . The efforts by international cooperation in international issues

- ✓ Cooperate with international organizations / development institutions such as MIF(IDB), GEF, EIB, DEG, etc., to mitigate those international issues of climate change.

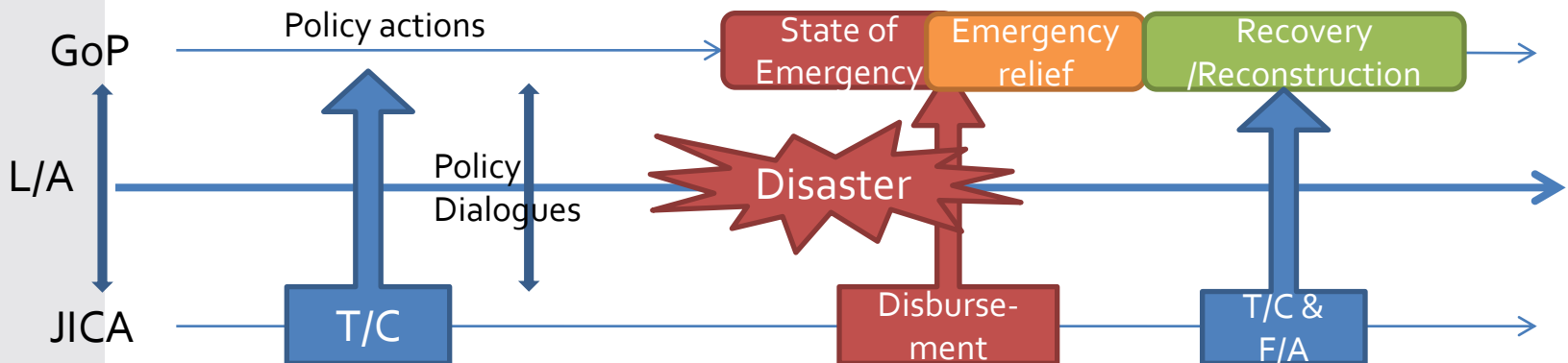
# Stand-by Emergency Credit for Urgent Recovery (SECURE)

## Objective:

- To promote the policy actions required to improve disaster risk management capabilities in Peru,
  - To provide the funds urgently needed in the event of a disaster.
- The project is designed to support quick disaster recovery in Peru and to contribute to sustained socioeconomic development for the country.

Loan Amount: 10 billion yen (L/A Signed: March 2014)

## Scheme



# Stand-by Emergency Credit for Urgent Recovery (SECURE)

## Policy Matrix

Targeted area	Policy actions achieved (2014)	Policy actions to be achieved in the future (by 2017)
<ul style="list-style-type: none"> <li>Improvement of earthquake and tsunami damage mitigation Technologies</li> </ul>	<ul style="list-style-type: none"> <li>Analysis of the underground soil structure of survey areas and disclosure of earthquake data</li> <li>Tsunami wave propagation simulation testing and compilation of tsunami hazard maps</li> <li>Activities for raising awareness, etc</li> </ul>	<ul style="list-style-type: none"> <li>(1) Achievement of project goals (preparation of scenarios, prediction of damage, etc.)</li> <li>(2) Integration of project proposals reflected in national disaster prevention plans</li> <li>(3) Enhancement of technical collaboration and personnel training</li> </ul>
Improvement of earthquake and tsunami emergency information transmission systems	Agreement on the basic design of the grant-aid cooperation program and preparation of an INDECI action plan	<ul style="list-style-type: none"> <li>(1) Enhancement of earthquake and tsunami risk management</li> <li>(2) Implementation of a more advanced earthquake and tsunami information transmission system</li> </ul>
<ul style="list-style-type: none"> <li>Mainstreaming of disaster prevention and risk management in public investment plans</li> </ul>	Incorporation of disaster risk assessment into the national public investment system	<ul style="list-style-type: none"> <li>(1) Simplification of the review procedures for disaster rehabilitation and recovery projects</li> <li>(2) Preparation of lifeline system disaster risk assessment</li> <li>(3) Preparation of land utilization plan guidelines for disaster risk mitigation</li> </ul>

# Conclusion

- What are the key lessons learned from development finance to realize co-benefits in climate and development?
  - **Mainstreaming Climate agenda into development**
- What elements are the most critical for effective use of climate finance?
  - **Country ownership, Result-oriented and accountability**
- What are the challenges and opportunities for development financial institutions to apply their experiences to climate finance?
  - **Generating Climate – Development co-benefit**
- What issues are to be studied further by development finance institutions and research institutions for better use of climate finance?
  - **Effective way to catalyze other finance (e.g. Private sector finance, Domestic Resource Mobilization)**

Thank you very much for your attention!

For questions, please feel free to contact:

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