

Asian Development Bank

Promoting Investments in Natural Capital



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ADB

Asia and the Pacific - The Region's Poverty Challenge



- 2/3 of the world's poor
- 700 million people below \$1.25 per person/day
- 1.75 billion below \$1.51 per person / day.
- Middle income transition by 2020, accompanied by rising inequality

ADB vision: a region free of poverty



- Reducing vulnerability & inequality—support for inclusive economic growth
 - More inclusive infrastructure
 - Inclusive business
 - Food security & agricultural productivity.
 - Bridging gender gaps



ADB's Environment Operational Directions 2013–2020



Environmentally
sustainable
infrastructure



Investments in
natural capital



Environmental
governance &
capacities

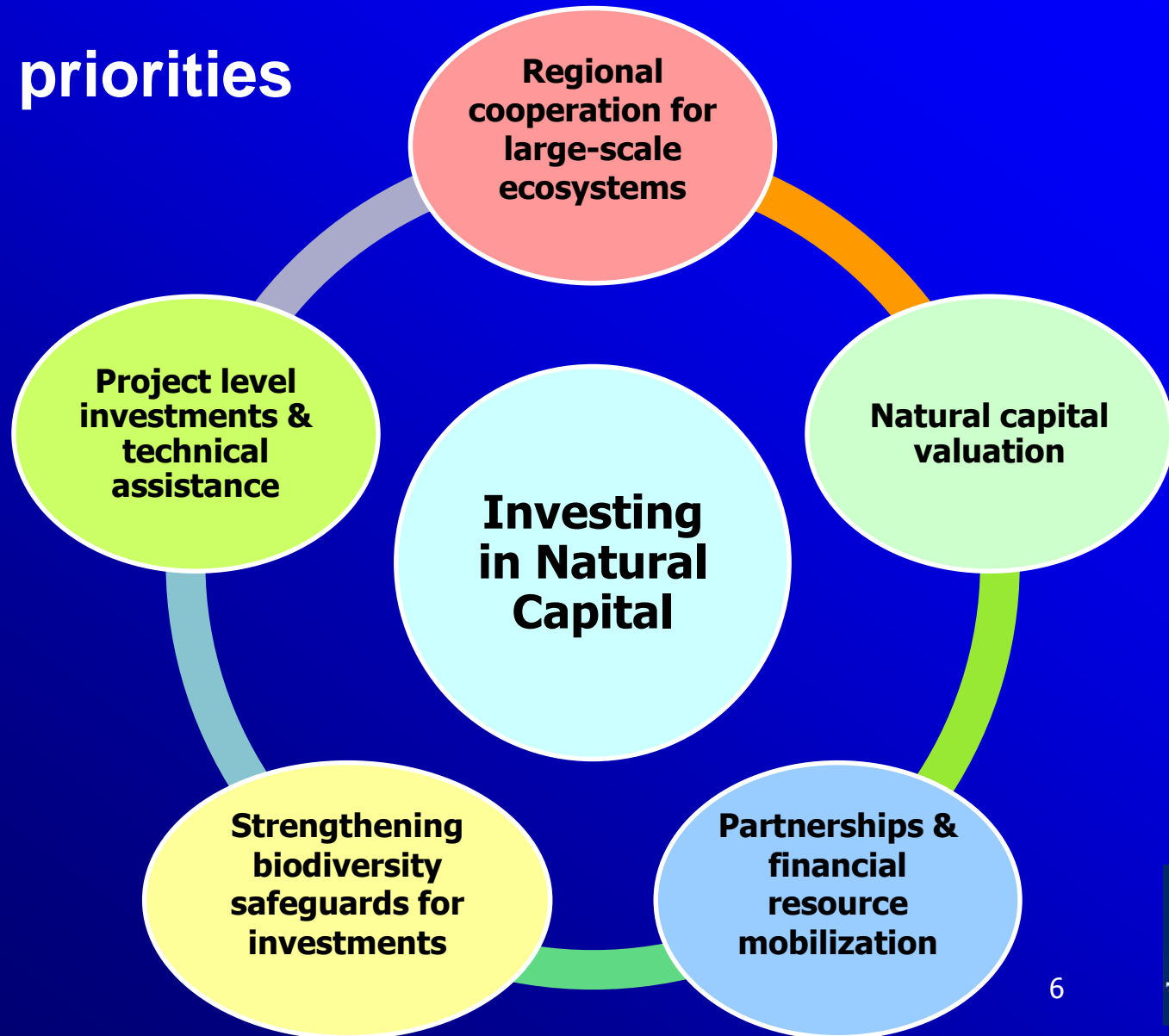
← Climate change (mitigation & adaptation) →

Investments in Natural Capital: *Issues*

Issues	Trends
Biodiversity ↓	<ul style="list-style-type: none">• 67% reduction in species populations in Asia-Pacific (1970-2010)
Degraded land ↑	<ul style="list-style-type: none">• >25% of land area in Asia-Pacific degraded (2008)
Forests ↑↓	<ul style="list-style-type: none">• Overall positive trend, but....• 3.32 Mha loss (primary forests) in SE Asia (1990-2010)
GHGs ↑	<ul style="list-style-type: none">• 15-20% of global GHG emissions from land use change & tropical deforestation.• 5-6% of global emissions from deforestation in South and SE Asia.
Coral reefs ↓	<ul style="list-style-type: none">• 40% of the coral reefs and mangroves disappeared over the last 40 years – <i>declining fish stocks</i>

Investing in Natural Capital

5 key priorities



Regional cooperation



1 BILLION

SOURCE OF FRESH WATER FOR 1 BILLION PEOPLE



60 MILLION

LIVELIHOODS OF 60 MILLION PEOPLE DEPEND ON THE MEKONG RIVER



22

22 MILLION HA OF RAINFOREST – THE LARGEST CONTIGUOUS FOREST AREA REMAINING IN SOUTHEAST ASIA



\$3.8

\$3.8 BILLION TOTAL VALUE OF INTERNATIONAL FISHERIES EXPORTS FROM CT COUNTRIES



Coral Triangle Region

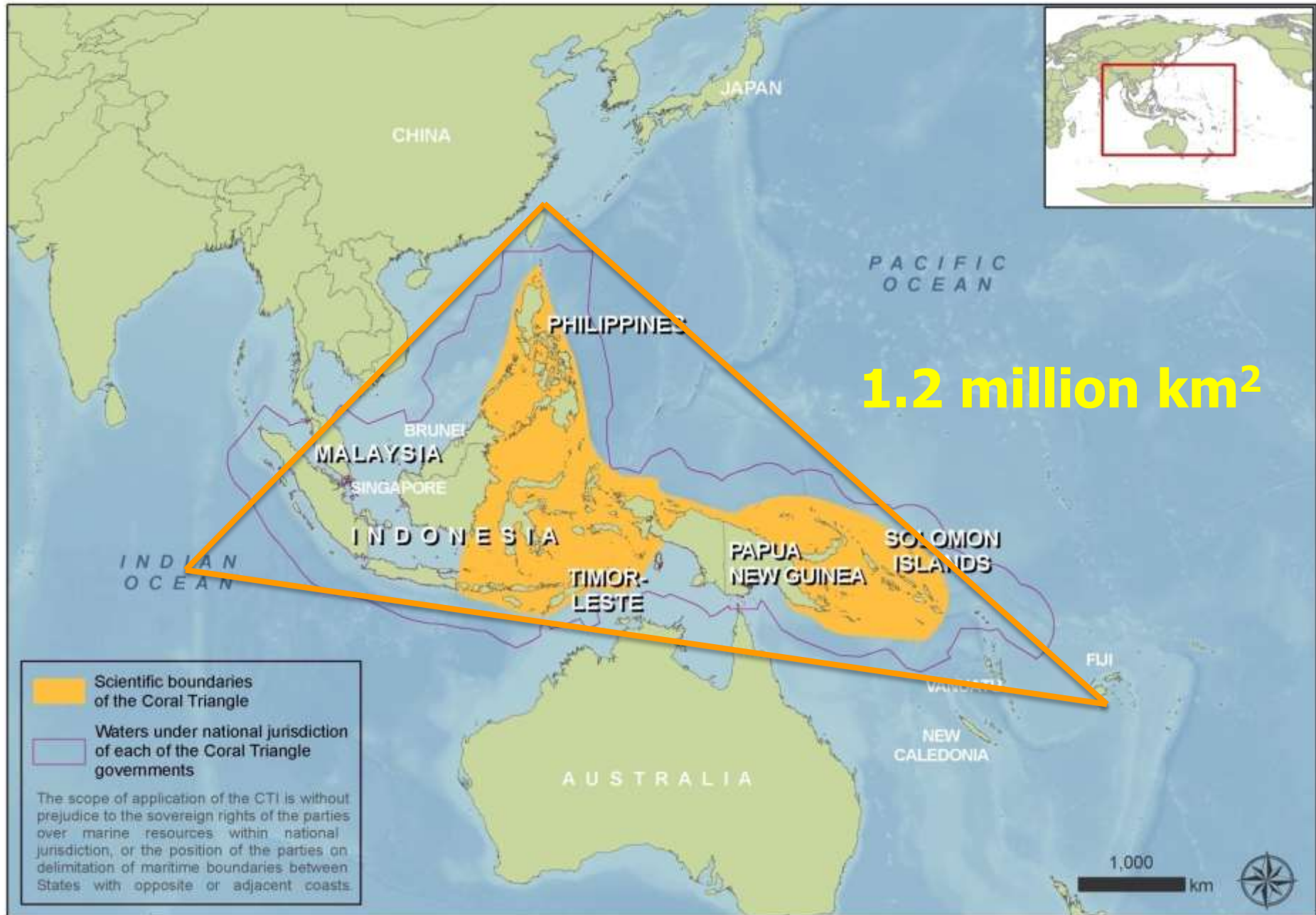




Photo credit: Jurgen Freund





Photo credit: Jurgen Freund



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Fish = Food = Jobs



photo credit: Jurgen Freund



Dependent People

- 120 million
- direct
subsistence
- 450 million
- benefit from the
ocean economy.
- Importance of fish
as protein.

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Photo credit: Jurgen Freund

Economic values

- \$4 billion in annual fisheries exports
- 5 million jobs in fisheries processing
- \$14 billion in tourism revenue



Photo credit: Jurgen Freund



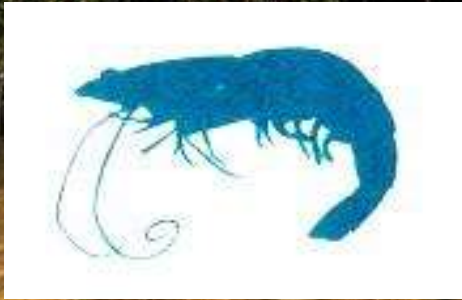
Threats

- Unustainable fishing practices
- Pollution & wastes
- Coastal development
- Climate change

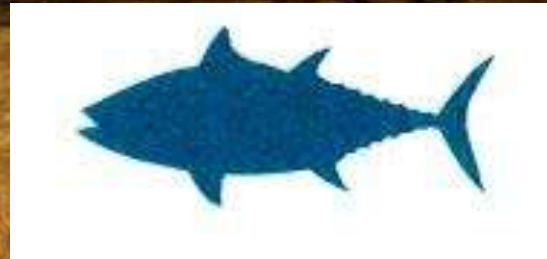


**Photo credit: Jurgen Freund /
Jessica Vyvyan-Robinson**

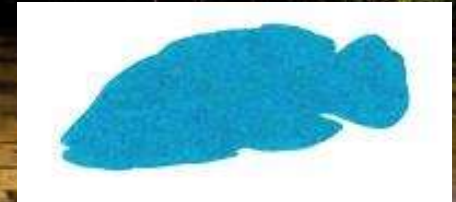
Declines in Biodiversity & Decline in fish catch and food



50 %
Decline in
Shrimp catch
In 20 years

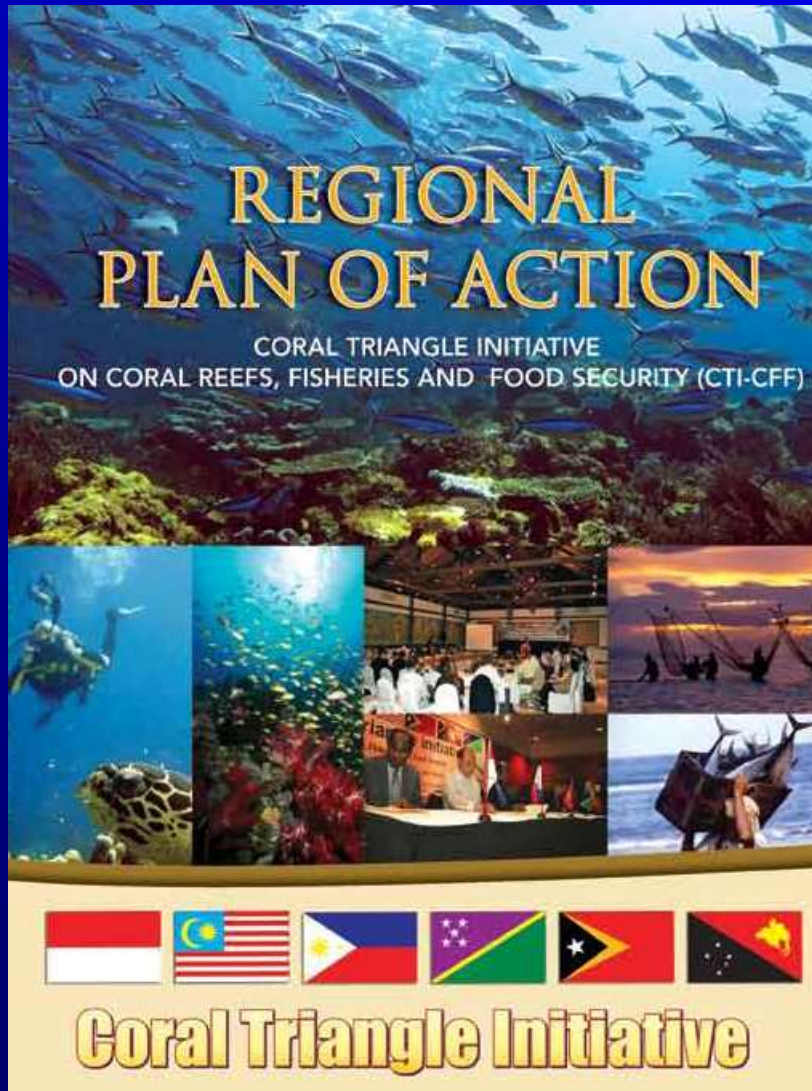


70% decline
Yellow fin tuna
In 60 years



>70%
decline
Napoleon
wrasse in
8 years

Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security



\$300 million program

- Seascapes
- MPA
- Fisheries
- Climate change
- Threatened species

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Upscaling Investment in Natural Capital

ADB – Next Steps

Identifying investment priorities

– ADB 's Planned Study in 2016

1. Priority investment areas?
2. Wider development benefits?
3. Financial modalities?
4. Potential returns on investment?
5. Entry points for partnerships?





Thank you

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