

# OECD DAC Statistics

## Aid to Urban Climate Change Adaptation

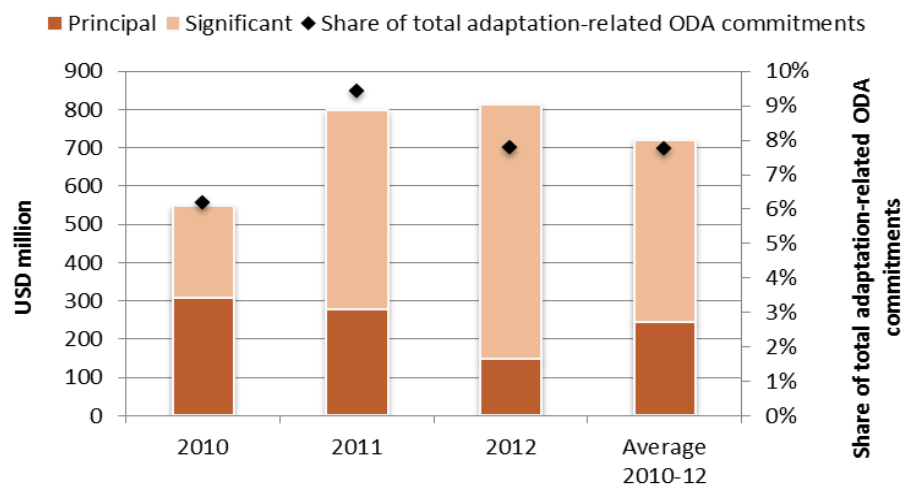
- **Building resilience and adapting to climate change are key priorities for urban- and national-level policy-makers in developing countries**, as well as for development co-operation providers. This is especially true for places where rapid urbanisation outpaces the development of resilient infrastructure and adequate housing for the poor. The resulting vulnerability to climate change thwarts economic gains and hinders development.
- This flyer analyses **bilateral Official Development Assistance (ODA) commitments to urban climate change adaptation** by the members of the OECD Development Assistance Committee (DAC).
- The majority of aid commitments for urban climate change adaptation take the form of **concessional loans to the water supply and sanitation sector**, and predominately go to **cities in Asia** (Delhi, Hai Phong, Manila, and Jakarta). **Japan is the largest provider** of urban adaptation-related aid, whilst **Korea** devotes the largest share of its adaptation-related aid budget to urban areas.

### HOW MUCH BILATERAL AID TARGETS URBAN ADAPTATION?

Bilateral urban adaptation-related aid commitments represent up to 8% of total bilateral adaptation-related aid in 2010-2012 (USD 720 million on average per year).

Chart 1. Urban adaptation-related aid

Annual and 3-year average over 2010-12, bilateral commitments, USD million, constant 2012 prices



Note: Reporting against the adaptation marker started in 2010.

Of the aid to urban adaptation over 2010-12, 34% (USD 244 million on average per year) targets adaptation as a **principal objective**, reflecting urban aid activities that are primarily focused on climate change adaptation (Chart 1). The majority, 66% (USD 475 million on average per year) targets adaptation as a **significant objective**, indicating the mainstreaming of adaptation considerations into the urban activities of development co-operation portfolios.

Bilateral urban climate change adaptation commitments reached USD 720 million per year in 2010-12



*These statistics draw from OECD DAC members' reporting on Rio markers to the Creditor Reporting System. The analysis provides a review of ODA activities within DAC members' climate change adaptation portfolios that target cities of over 500,000 inhabitants. Over 200 out of 1600 activities (above USD 50,000) were identified as targeting urban areas, based on the methodological approach developed for this study. This number may be considered a lower bound, owing to limited information available to identify the location of some ODA activities. Summary statistics for global climate change adaptation-related aid flows are presented in a separate flyer. All flyers and detailed project-level data are available at <http://oe.cd/RioMarkers>*

## WHERE IS URBAN ADAPTATION-RELATED AID FLOWING?

Asia receives 70% of urban adaptation-related aid, and 8 fast-growing Asian cities account for 56% of urban adaptation-related aid (Table 1). The top 10 recipients of urban adaptation-related aid account for 77% of bilateral commitments (Chart 2). This is driven by the development co-operation programmes of Japan, Korea and Germany in the Southeast Asian region and its cities, which are particularly vulnerable to climate change.

Chart 2. Top 10 recipients of urban adaptation-related aid

Annual average 2010-12, bilateral commitments, USD million, constant 2012 prices

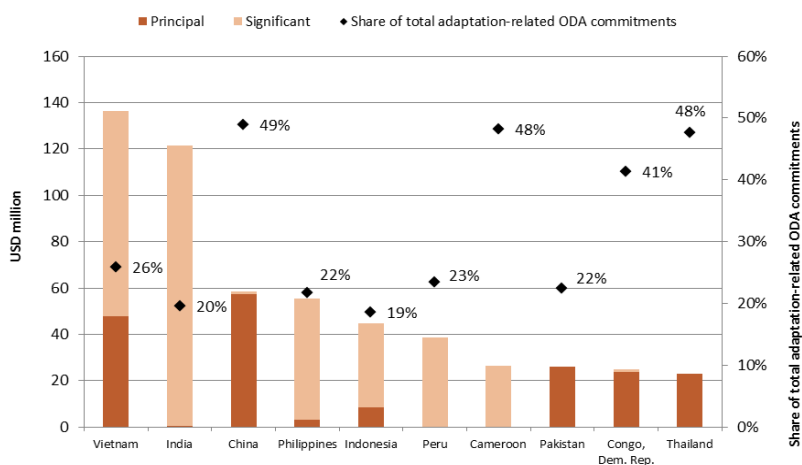


Table 1. Ten cities account for 66% of urban adaptation-related aid

Annual average 2010-12, bilateral commitments, USD million, constant 2012 prices

City	Aid amount (USD million)	Share of urban adaptation-related aid
Delhi (India)	122	17%
Hai Phong (Vietnam)	87	12%
Manila (Philippines)	56	7%
Jakarta (Indonesia)	44	6%
Lima (Peru)	40	6%
Hanoi (Vietnam)	31	5%
Yaoundé (Cameroon)	26	4%
Lu'an (People's Republic of China)	25	3%
Kinshasa (DRC)	24	3%
Bangkok (Thailand)	23	3%

Over 72% of urban adaptation-related aid is committed through concessional loans. This contrasts with general patterns of adaptation-related aid, which mostly take the form of grants (69%). The dominance of loans may reflect that 84% of urban adaptation-related aid flows to cities in Middle Income Countries, primarily for infrastructure.

## WHICH SECTORS ARE TARGETED BY URBAN ADAPTATION-RELATED AID?

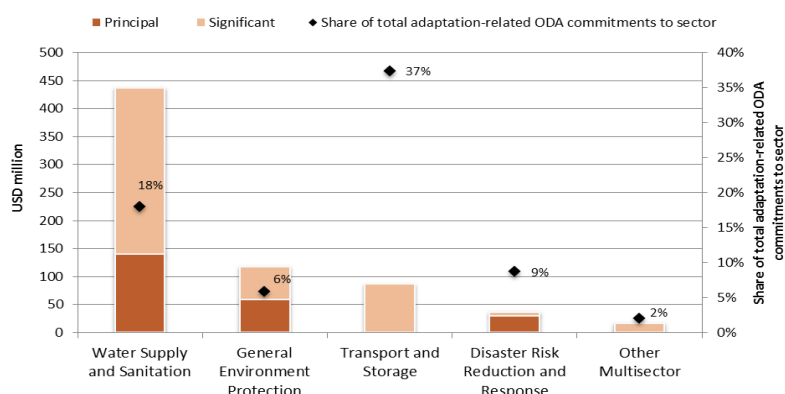
Water supply and sanitation, general environment protection, transport and storage; disaster risk reduction and response; and multi-sector projects together receive 97% of bilateral urban adaptation-related aid over 2010-12 (Chart 3).

The transport and storage sector stands out as the sector where the largest share (37%) of adaptation aid is directed to cities.



Chart 3. Top 5 sectors of urban adaptation-related aid

Average 2010-12, bilateral commitments, USD million, constant 2012 prices



Note: 1) General Environment Protection includes support to environmental research, education, policy and administration management. 2) Multi-sector projects include urban development and management, and multi-sector education training and research.

## WHO IS PROVIDING URBAN ADAPTATION-RELATED AID?

Five OECD DAC members provide 97% of total urban adaptation-related aid in 2010-12 (Chart 4). Japan, France and the EU commit the largest amount of aid targeting urban adaptation as a principal objective. Korea dedicates the highest share of its adaptation aid portfolio to urban issues (37%), followed by Japan (20%) and France (16%).

Chart 4. Top 5 donors of urban adaptation-related aid

Average 2010-12, bilateral commitments, USD million, constant 2012 prices

