

A Workshop on the Joint Crediting Mechanism: **Introduction to ADB Operations**

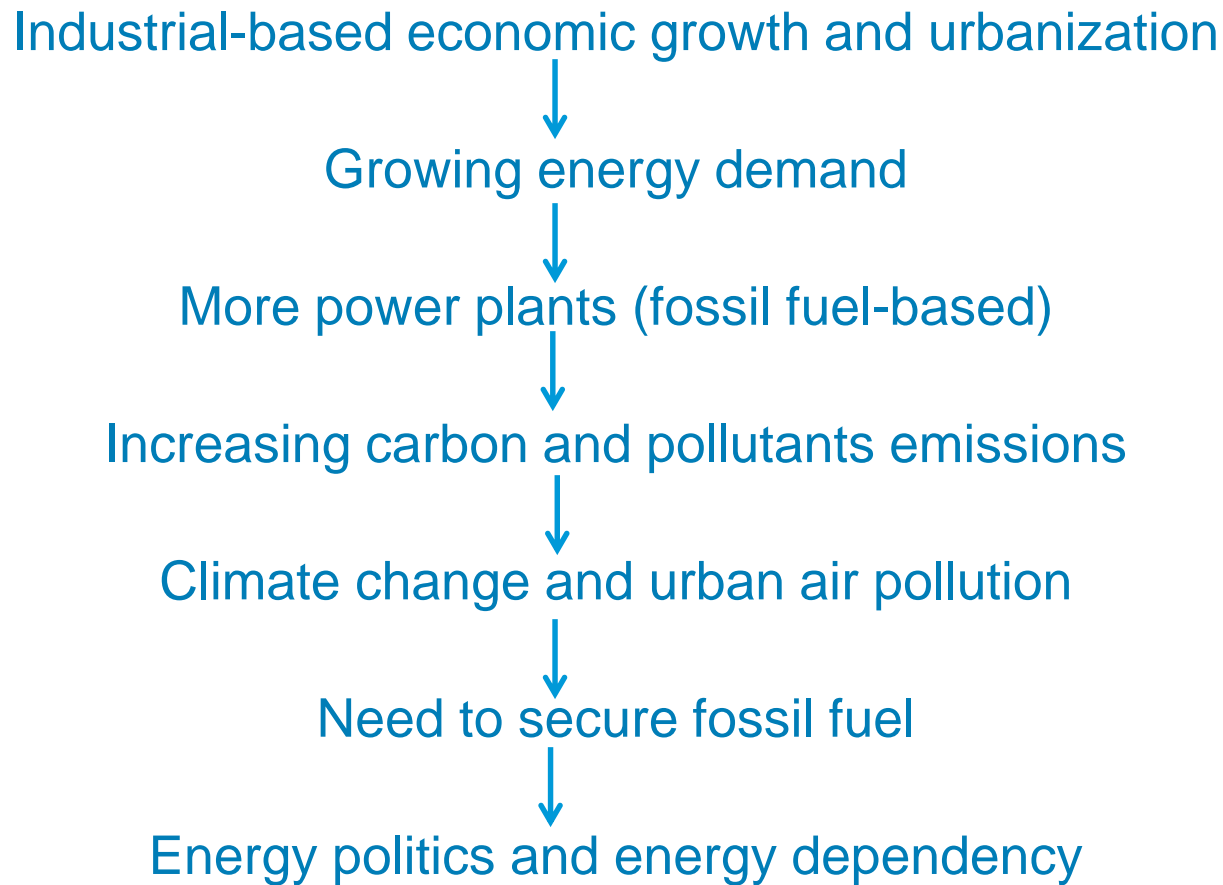
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What is Asian Development Bank (ADB)?

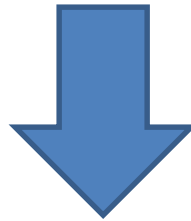
ADB is a regional development bank established on 22 August 1966, which is headquartered in Manila, Philippines to facilitate economic development of countries in Asia. ADB now has 67 member countries.

Asia: Energy-Economy-Urbanization



Energy Demand in Asia

Projected to almost double by **2030**



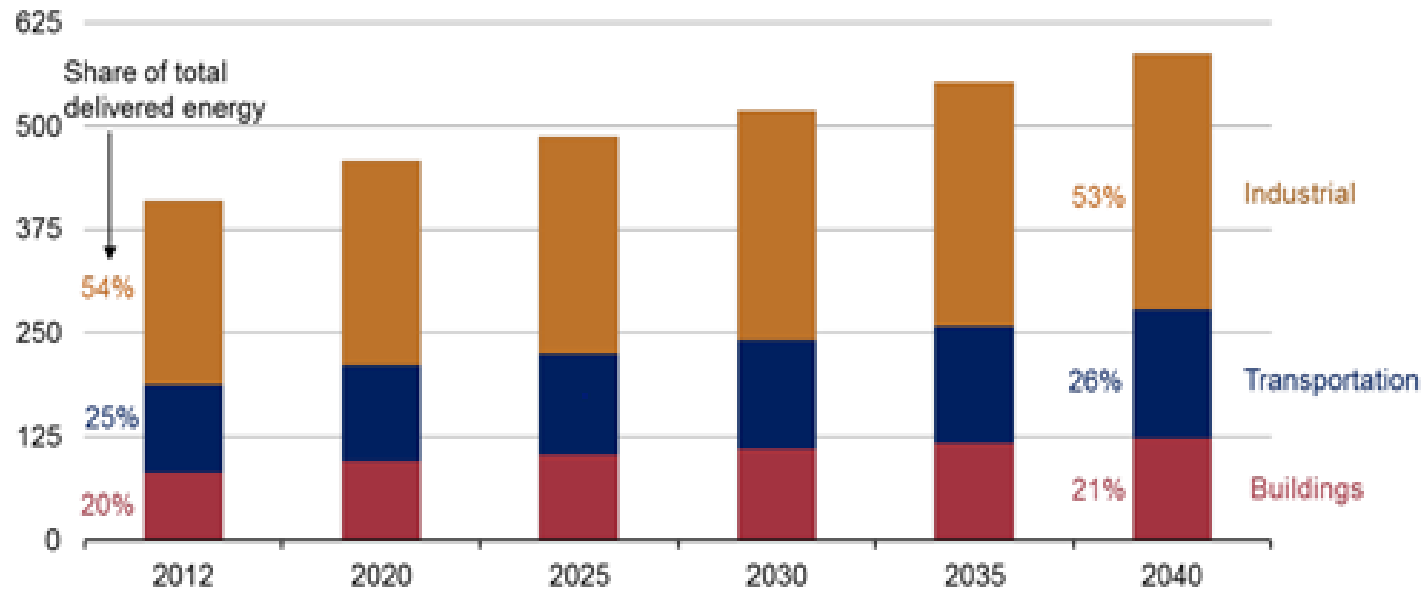
Urgent need for innovative ways to generate power in a socially, economically, and environmentally sustainable manner.

Solutions = **cleaner fuel + renewables + energy efficiency**

Energy Consumption by Sector

World Delivered Energy Consumption by End-Use Sector

(quadrillion Btu)



Source: EIA, International Energy Outlook 2016

ADB's Corporate Policy Strategy 2020

Investment focuses on:

Green Infrastructure



Urban Environment Improvement & Climate Change Mitigation



Innovation

The 3 Pillars of ADB's Energy Policy

1. Promoting energy efficiency and renewable energy
2. Maximizing access to energy for all
3. Promoting energy sector reform, capacity building, and governance

ADB's Operation in 2015

Approvals of loans and grants, technical assistance, and cofinancing amounted to **\$27.15 billion** in 2015, of which:

- **\$16.58 billion** of loans and grants, sovereign and nonsovereign
- **\$144 million** of technical assistance, and
- **\$10.43 billion** of cofinancing.

Clean Energy Investments

\$2.5 billion in 2015

Area	Amount (\$ million)	%
Energy efficiency	1,370	55
Renewable energy	962	39
Clean fuel	146	6
Total	2,478	100

Clean Energy Investment (by Region)

Region	Amount (\$ million)	%
Private Sector	644.5	26
Southeast Asia	641.7	26
South Asia	604.3	24
East Asia	371.0	15
Central West Asia	203.6	8
Pacific	12.7	1
Total	2,477.8	100

ADB's Commitments toward Climate Change

- Climate finance in the last 5 years: **almost \$13 billion**
- Climate finance in 2015: **around \$2.5 billion**
- Commitment by 2020: double funding to **\$6 billion per year**

ADB Assistance Framework

Sovereign Loan

Sovereign guaranteed investment projects

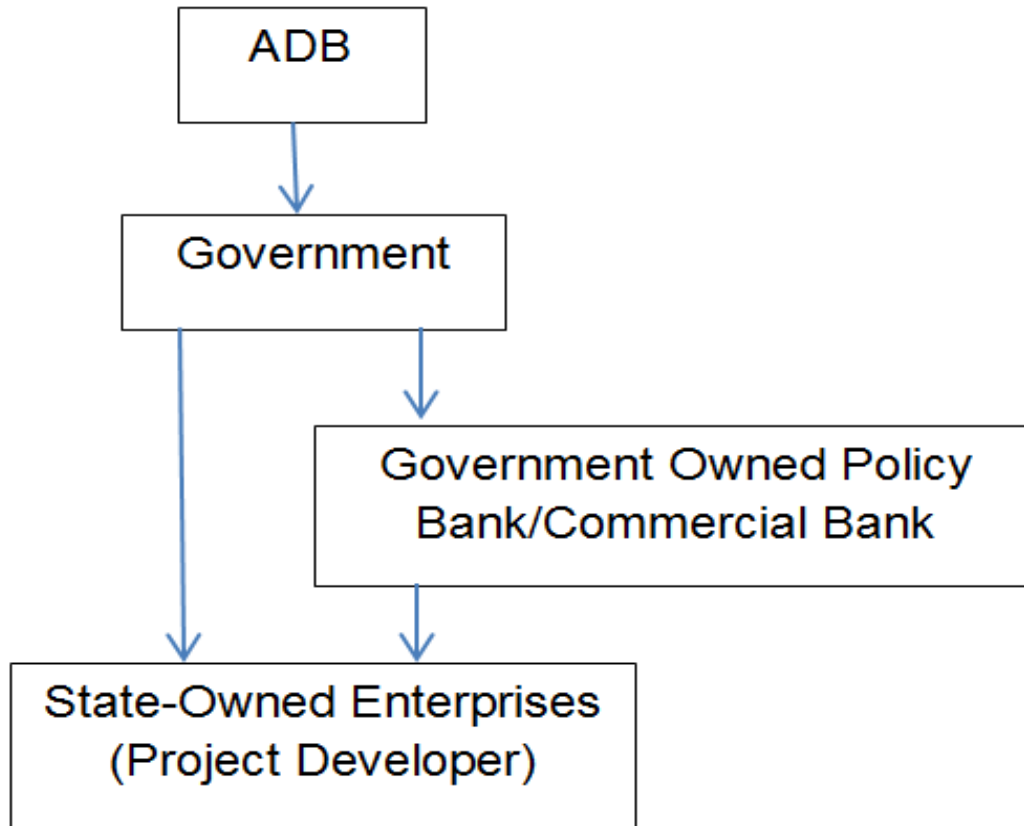
Private/Non-sovereign loan

Loans, equity investments, and guarantees **without sovereign guarantee (market terms and conditions)** for state-owned enterprises, local government entities, and private companies

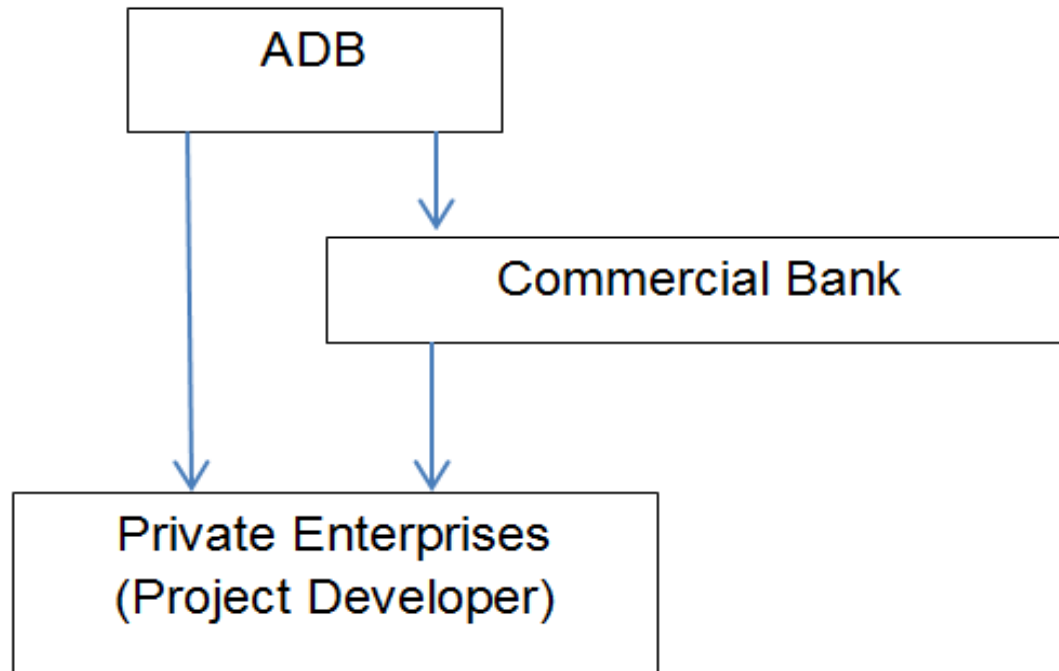
Technical Assistance

- studies for policy formulation
- road map preparation, and feasibility studies
- transaction advisory services

Lending Scheme (Sovereign)



Lending Scheme (Private)



Loan Terms and Conditions

- Maturity: up to **26 years** including 5 years grace period
- Interest rate:

	Floating rate (6 months rate as of 11 July 2016)	Fixed rate (5 years as of 11 July 2016)
LIBOR rate	0.94%(USD) / -0.19%(Euro)	1.1%(USD) / -0.15%(Euro)
Add spread	0.50%	0.50%
subtract rebate	0.15%	0.15%
Interest rate	1.29%(USD)/0.16%(Euro)	1.45%(USD)/0.20%(Euro)

- Commitment fee: **0.15%** of undisbursed loan balance

THANK YOU !!

For further information

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