

#### 6<sup>th</sup> ADB Business Opportunities Fair

Public Management, Financial Sector and Trade Division (SAPF) South Asia Department By: Peter Marro

25 March 2015

The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.



# Outline

- SAPF's Strategic Focus
- SAPF's Strategic Operational Thrust
- Key Operating Areas by Country
- SAPF 2014 Portfolio by Developing Member Country
- SAPF Portfolio by Modality
- SAPF Portfolio by Sector
- SAPF Projects Approved in 2014
- SAPF 2015 Pipeline
- Opportunities
- Issues for your consideration



# **SAPF's Strategic Focus**

#### Who are we?

- ADB's South Asia Public Management, Financial Sector and Trade Division (SAPF) comprises a core 15 international staff
- Covering 6 South Asian countries (India, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives)
- SAPF's 2014 portfolio consists of 14 projects with a total volume of \$1,911 million
- The 2014 new lending volume of SAPF was \$400
  million, all allocated to India



# **SAPF's Strategic Focus**

#### What do we do?

- Contribute to building stable, resilient and inclusive financial systems while strengthening public management
- Combine innovative products to introduce new solutions while seeking to leverage our funds

#### How do we do it?

 Build on highly driven team; making use of various financial products, services, and knowledge management work; and partnering with financial institutions and other development partners



## **SAPF's Operational Thrust**





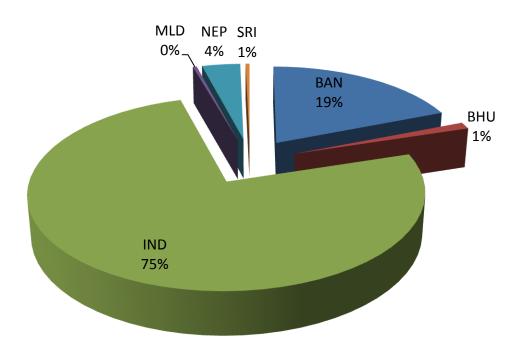




# **Key Operating Areas by Country**

Key Operating Areas	Bangladesh	Bhutan	India	Maldives	Nepal	Sri Lanka
Financial Sector: Develop financial sector infrastructure, institutions, and products and services	Capital Market, Brick Kiln Efficiency, Micro Insurance, Migrant Workers Remittance, MSME Development, Housing Finance	MSME development, Strengthening RMA, Capital Market Development	Rural Finance Development, MSMEs development	MSME development	Inclusive financial sector development program, Rural finance sector development program	MSME development
Public Sector Management: Enabling fiscal space through fiscal reform and governance enhancement	Fiscal Management, Good Governance	Good governance (Institutional skill, Audit management, Public finance)	Public Resource Management (Mizoram West Bengal, Punjab)	Economic recovery program and project	Good governance, Support for fiscal management	Fiscal management efficiency
Infrastructure Finance: Support infrastructure development – realizing tangible leveraging through ADB products (DFIs loans and guarantees)	Public-Private Infrastructure Development Facility (IDCOL)		PPP Infrastructure Financing (IIFCL), Innovative Municipal Finance, Renewable Energy	Private sector development	Capital market and infrastructure finance	
Trade Facilitation	Subregional trade facilitating program	Subregional trade facilitating program	Subregional trade facilitating program	Subregional trade facilitating program	Subregional trade facilitating program	Subregional trade facilitating program

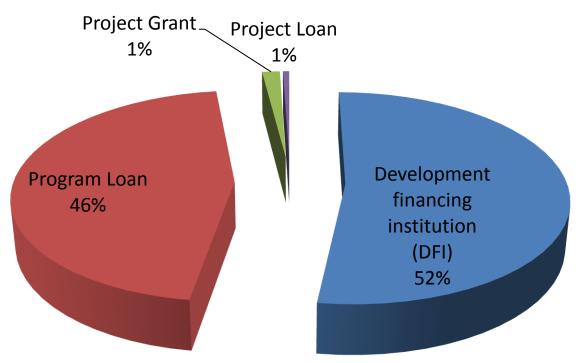
### **SAPF 2014 Portfolio by DMC**



SAPF 2014 Portfolio (\$ million)				
BAN	363.4			
BHU	22.5			
IND	1,440.0			
MLD	7.2			
NEP	70.7			
SRI	7.3			
Total	1,911.0			



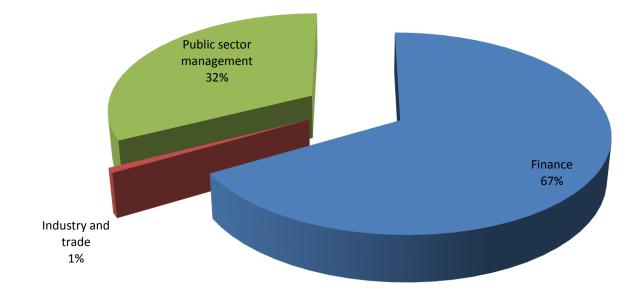
### **SAPF Portfolio by Modality**



By Modality	(\$ million)
Development Financing Institution	999.6
Program Loan	872.6
Project Grant	28.8
Project Loan	10.1
Total	1,911.0



### **SAPF Portfolio by Sector**



By Sector	(\$ million)
Finance	1,274.0
Industry and Trade	15.5
Public Sector Management	621.5
Total	1,911.0



# **SAPF Projects Approved in 2014**

Lending				
COUNTRY	PROJECT NAME	MODALITY	<b>AMOUNT</b> (\$ million)	
IND	Clean Energy Investment Program – Tranche 1	DFI	200	
IND	Punjab Development Finance Program	Program Loan	200	

DFI = development financing institution.



# **SAPF Projects Approved in 2014**

NON\_I ENDING

NON-LENDING			
COUNTRY	PROJECT NAME	<b>AMOUNT</b> (\$ '000)	
REG	Promoting Remittance for Development Finance (Supplementary)	100	
IND	Enhancing Bond Guarantee Structuring Skills in India	225	
IND	Supporting the Punjab Development Finance Program	400	
IND	Scheme for Fund for Regeneration of Traditional Industries	225	



# SAPF 2015–2016 Lending Pipeline

COUNTRY	PROJECT NAME	AMOUNT (\$ million)	CONTACT
BAN	Third Capital Market Development Program	250.00	S. Shah
BHU	Strengthening Economic Management II	36.20	C. Akin
IND	Innovative Municipal Financing Facility in India*	300.00	V. Rao
IND	West Bengal Development Finance Program II*	250.00	H. Mukhopadhyay
IND	Accelerating Infrastructure Finance Facility – Periodic Financing Request 2*	300.00	V. Rao
IND	Hydroelectricity Financing Facility*	80.00	D. Lambert
BAN	SME Housing Finance Facility**	300.00	P. Marro
BAN	Disaster Risk Financing**	150.00	M. Ozaki
IND	Agri-logistics Financing**	100.00	D. Lambert
IND	Securitization of Infrastructure Loans**	200.00	J. Torres
SRI	Infrastructure Financing**	100.00	D. Lambert/P. Marro

\* stand-by for 2015

\*\* for tentative approval in 2016

Note: Projects are indicative, pending ADB Management and Board approval, and approval timelines are subject to change.

# **SAPF 2015 Nonlending Pipeline**

COUNTRY	PROJECT NAME	AMOUNT (\$ '000)	CONTACT
BAN	Supporting the Third Capital Market Development Program	400	S. Shah
BHU	Supporting Implementation of SEMP II	300	C. Akin
BHU	Leveraging ICT Applications in Supporting the SEMP II	500	C. Akin
IND	Capacity Building for IREDA	750	A. Huang
NEP	Complimentary Institutional Development for the Hydroelectricity Financing Facility	350	D. Lambert
IND	Innovative Municipal Financing Facility	500	V. Rao
IND	Supporting West Bengal Development Finance Program II	300	H. Mukhopadhyay

Notes:

- 1. Projects are indicative, pending ADB Management and Board approval, and approval timelines are subject to change.
- 2. Two TAs have been approved in 2015: (i) IND: Monetization of Infrastructure Loans of PSU Banks (\$225,000, Ms. J. Torres); and (ii) REG: Promoting Remittance for Development Partnership (Supplementary, \$100,000, Ms. M. Ozaki)





- Consulting services for project preparatory and advisory technical assistance
  - Firms
  - Individuals
- Consulting services for project implementation
  - Usually firms
- Individual consultants, for example, for:
  - Diagnostic studies
  - Advisor on reform
  - Specific tasks (due diligence, feasibility studies)



# **Issues for your consideration**

- Unique, challenging countries
  - Experts with regional experience
  - Keep up with developments in the region
- Weak planning, implementing capacity
  - Project preparation at times start from scratch
  - Comprehensive support required
  - Need to be flexible
- Diverse needs and dynamic changes
  - Keep in touch with project officers
  - Check ADB website regularly



# We look forward to doing business with you.

**Peter Marro** 

Principal Financial Sector Specialist, South Asia Department pmarro@adb.org

