

ADB Business Opportunities Fair  
17 March 2016

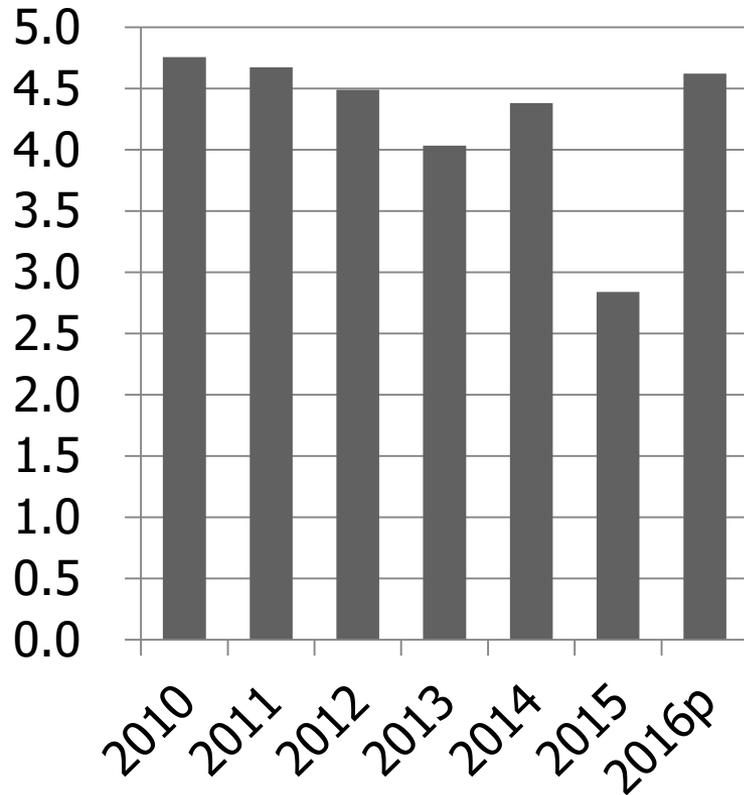
# ADB Transport Sector Operations

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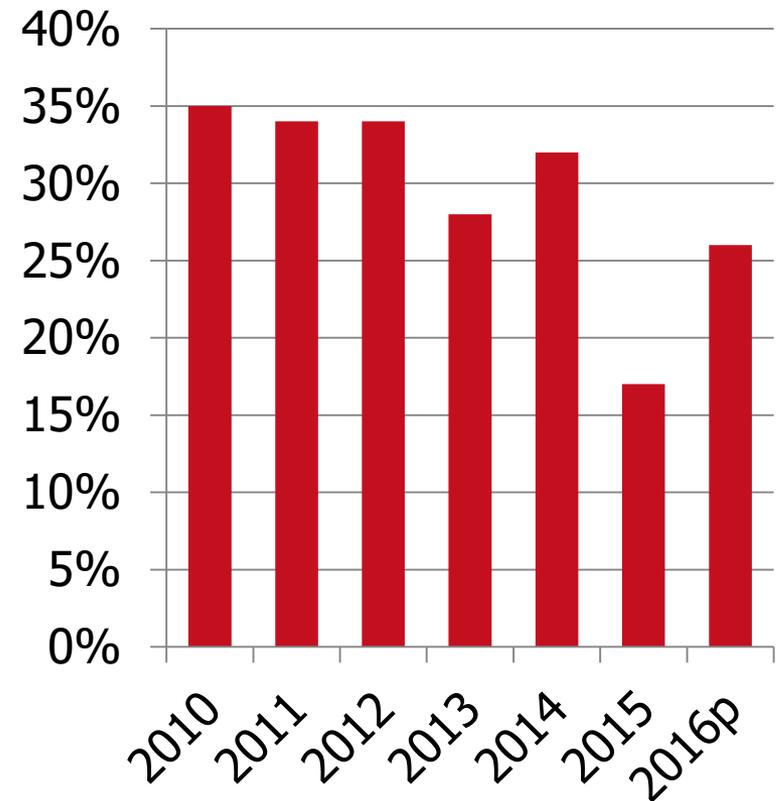
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# Transport is largest sector for ADB lending

## Transport lending (\$ B)



## Share of ADB lending



# The good and the bad...

- Transport **enables** economic & social activity, provides access to opportunities, services
- **But** has **negative effects** too - congestion, emissions, environment impacts, accidents

**Sustainable transport** is integral to 8 of the 17 SDGs, with direct targets for 5 SDGs, indirect targets for 6 SDGs

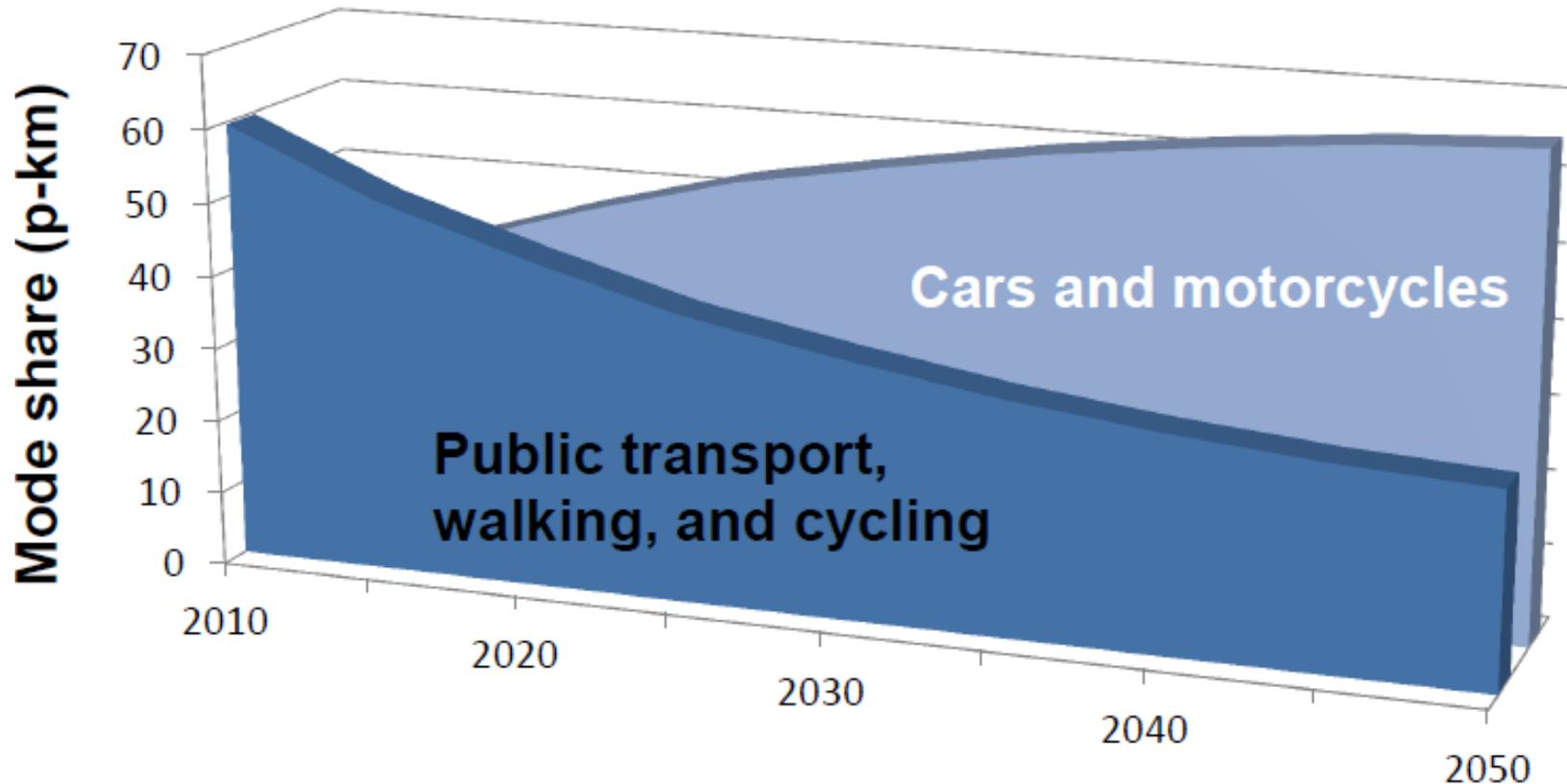
# Massive investment needs

- **\$2.5 trillion** for transport in developing Asia, 2010-20
- Poor countries need basic access
- Others face capacity bottlenecks
- Asia's rapidly growing cities need urban transport

# Extending access, connectivity



# Problem of rapid motorization



Source: ADB and IEA, 2011

# Congestion



2-5% of GDP

# Air pollution



**2-4% of GDP**

# Rising GHG emissions

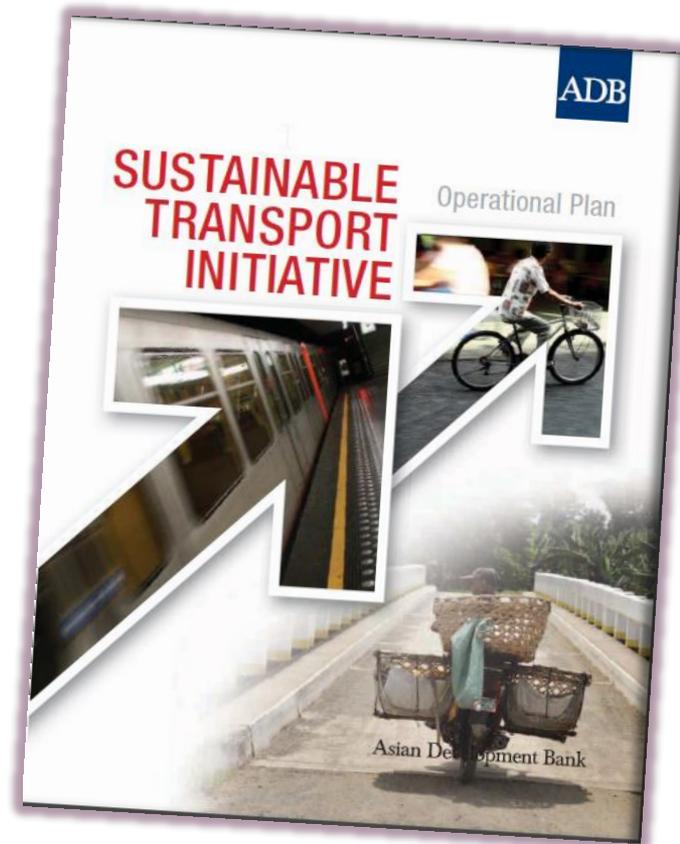
- Transport is **23%** of global energy-related GHG emissions
- Land transport is **3/4** of transport GHG emissions
- Land transport GHG emissions to **double by 2050** based on current trend

# Unsafe roads

- **645,000 annual road deaths** and 30 million injuries in developing Asia
- Leading cause of death for 15-44 year olds, 2<sup>nd</sup> leading for 2nd leading cause for 6-14 year olds
- Vulnerable users are 50–75% of deaths
- Costs 2-5% of GDP

# ADB's Sustainable Transport Initiative

- STI approved in 2010
- Aims to transform ADB transport operations
- Covers a 10 year period, 2010-20



# Sustainable transport is...

- ✓ accessible
- ✓ affordable
- ✓ environment friendly
- ✓ safe

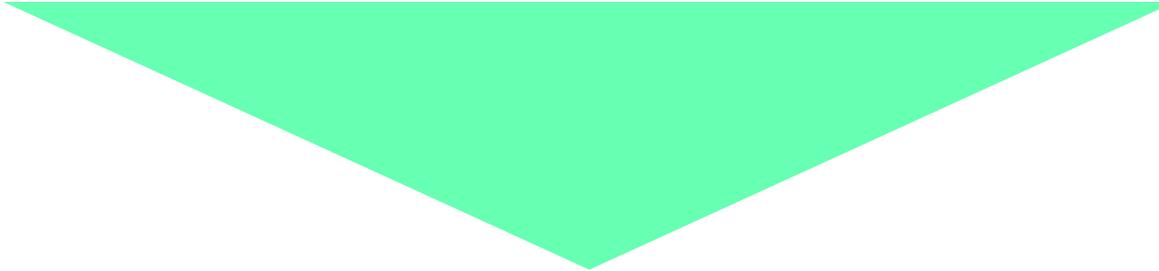


# Avoid-Shift-Improve Paradigm

**Avoid**  
the need to  
travel

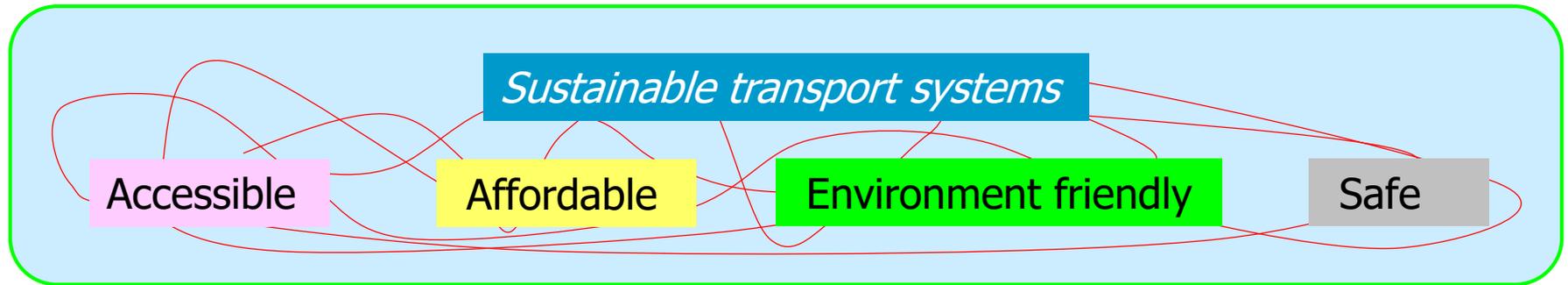
**Shift**  
to sustainable  
modes

**Improve**  
efficiency of  
all modes



**Lower congestion, emissions,  
air pollution, road accidents,  
respiratory & health problems**

# STI priorities and targets



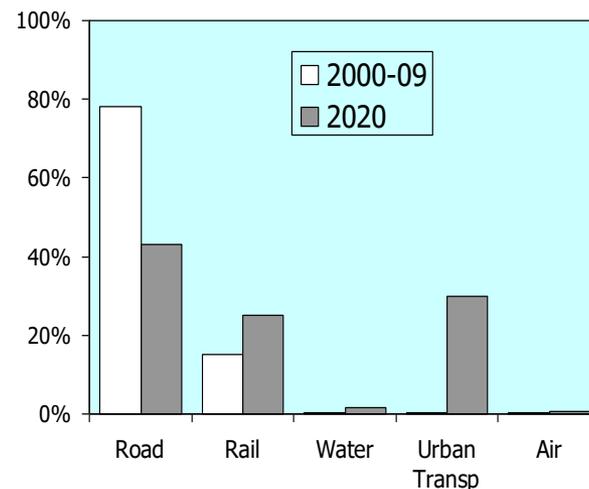
## STI lending directions

▷ Mainstream sustainability in roads

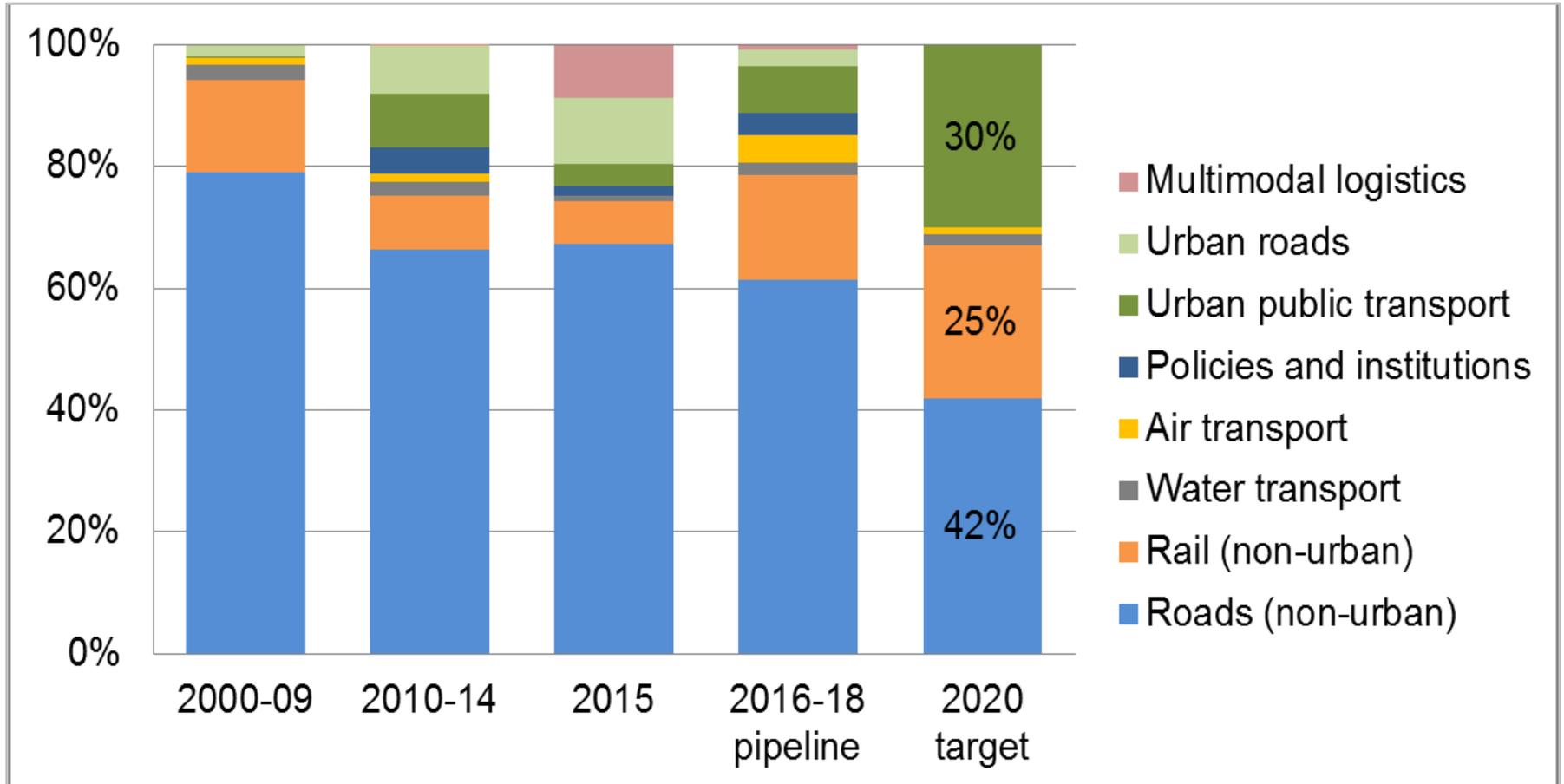
▷ Scale up 4 areas ↘

- Urban transport
- Addressing climate change
- Cross-border transport & logistics
- Road safety & social sustainability

## STI subsector lending targets



# Progress against STI lending targets

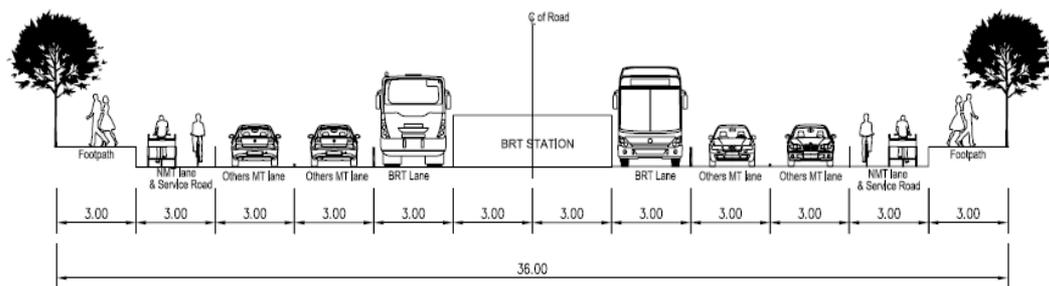


# ADB transport operations: 2015 in numbers

Total of **28** loans and grants and **29** technical assistance projects approved

Projects represented a total of **\$2.8 billion** in ADB investment, 17% of total ADB

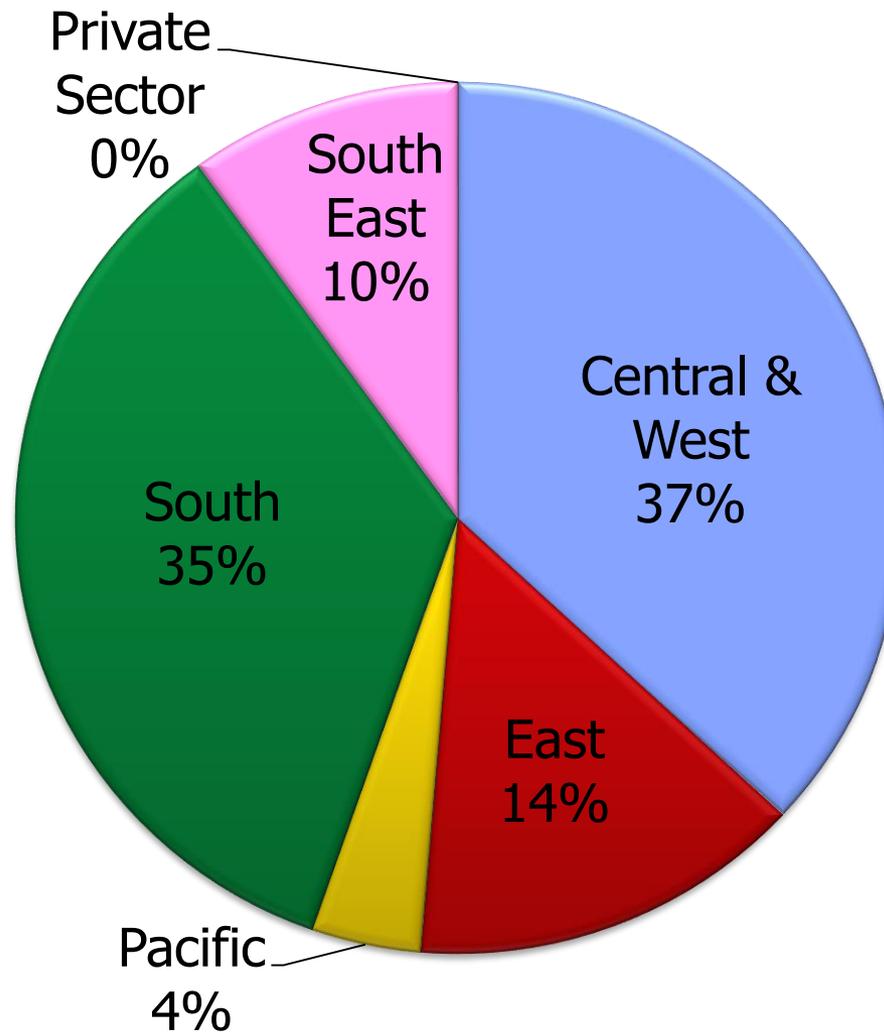
Serving **25** countries



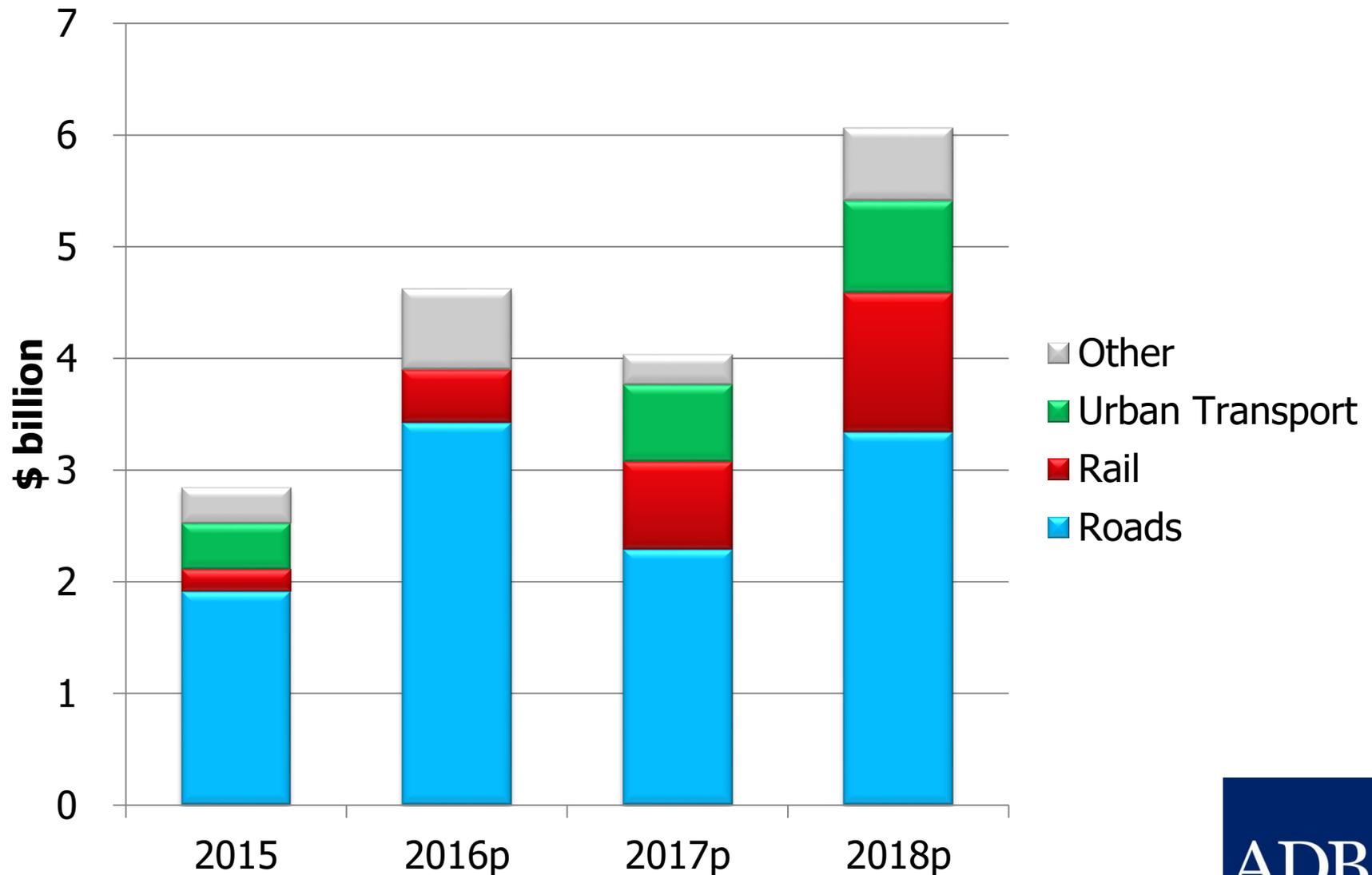
CROSS SECTION OF ROAD AT BRT STATION (TYPE - B & C)  
AT CH. 15+550



# Transport approvals by subregion, 2015



# Transport lending pipeline, 2016-18



# Transport lending pipeline, 2016-18

Subsector	Projects in 2016-18 pipeline
<b>Roads (non-urban)</b>	Av. annual lending of \$0.8–1B in each of Central & West, South, SE Asia regions; lower in East Asia, Pacific. In many DMCs, large programs in BAN, IND, VIE, KAZ, PAK, AFG
<b>Rail (non-urban)</b>	Expanded lending especially in South Asia in 2017, 2018. Major projects include BAN, IND, PRC, AFG, with new rail lending in UZE, AZE, SRI, MYA, MON
<b>Water transport</b>	Small but important support for ports and shipping, mainly in Pacific: RMI, TIM, SOL, SAM, also MLD
<b>Air transport</b>	Airports and related support mostly in small DMCs: BHU, PNG, MYA, RMI, NEP, also UZE airport
<b>Urban public transport</b>	In 2017 and 2018 more support for metro in Viet Nam, BRTs in several PAK cities, KAZ, MON, PHI, GEO mass transit
<b>Urban roads and traffic mgt</b>	Often as part of urban development projects. ARM, IND, MON, PRC, BAN, VAN
<b>Multimodal logistics</b>	PRC river-rail-road logistics hub

# Emerging types of ADB transport operations

- **Mass transit** – metro, bus rapid transit
- Multimodal **passenger hubs** e.g. rail/metro/bus
- Multimodal freight **logistics hubs**
- **Energy efficient technology** for locos, vehicles
- **ITS** – e.g. electronic fare collection, bus info systems, travel info systems
- Electric vehicles – **charging infrastructure**
- **Green corridors** based around mass transit
- Scaled-up **structured financing** for railways and mass transit e.g. domestic bonds + syndicated loans + guarantees + ADB sovereign financing

**See you in Manila for the  
5<sup>th</sup> ADB Transport Forum  
13-15 September 2016**

**Thank you!**