



BUSINESS OPPORTUNITIES FAIR



Asian Development Bank Headquarters, Manila, Philippines

8th ADB Business Opportunities Fair

Transport Sector – SDCC

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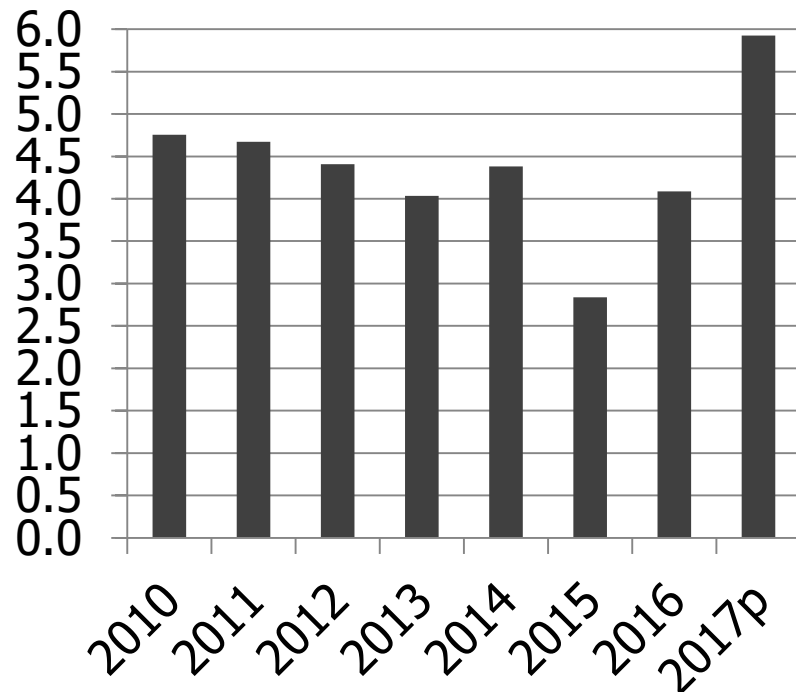
23 March 2017

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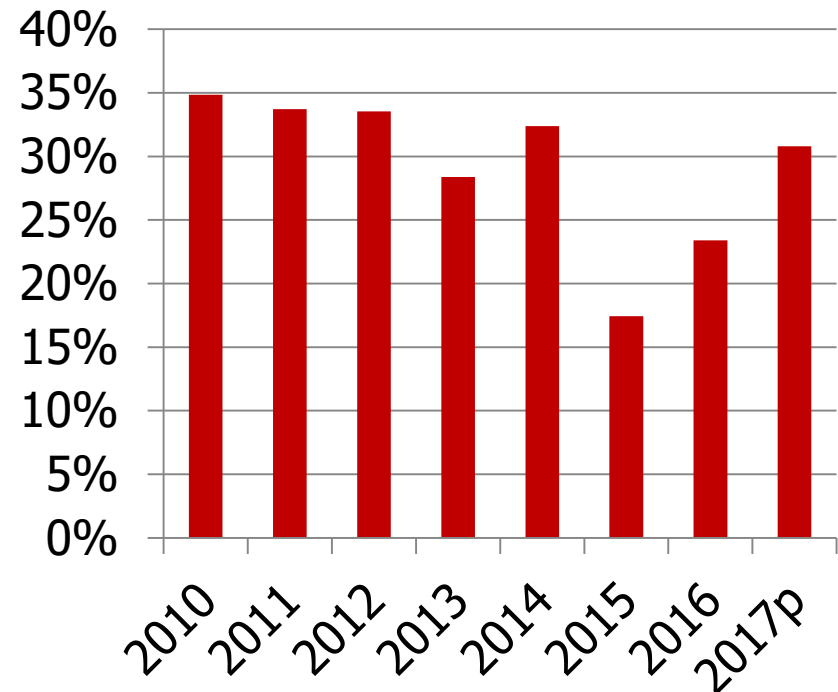


Transport is largest sector for ADB lending

Transport lending (\$ B)



Share of ADB lending



Sustainable transport is...

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



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

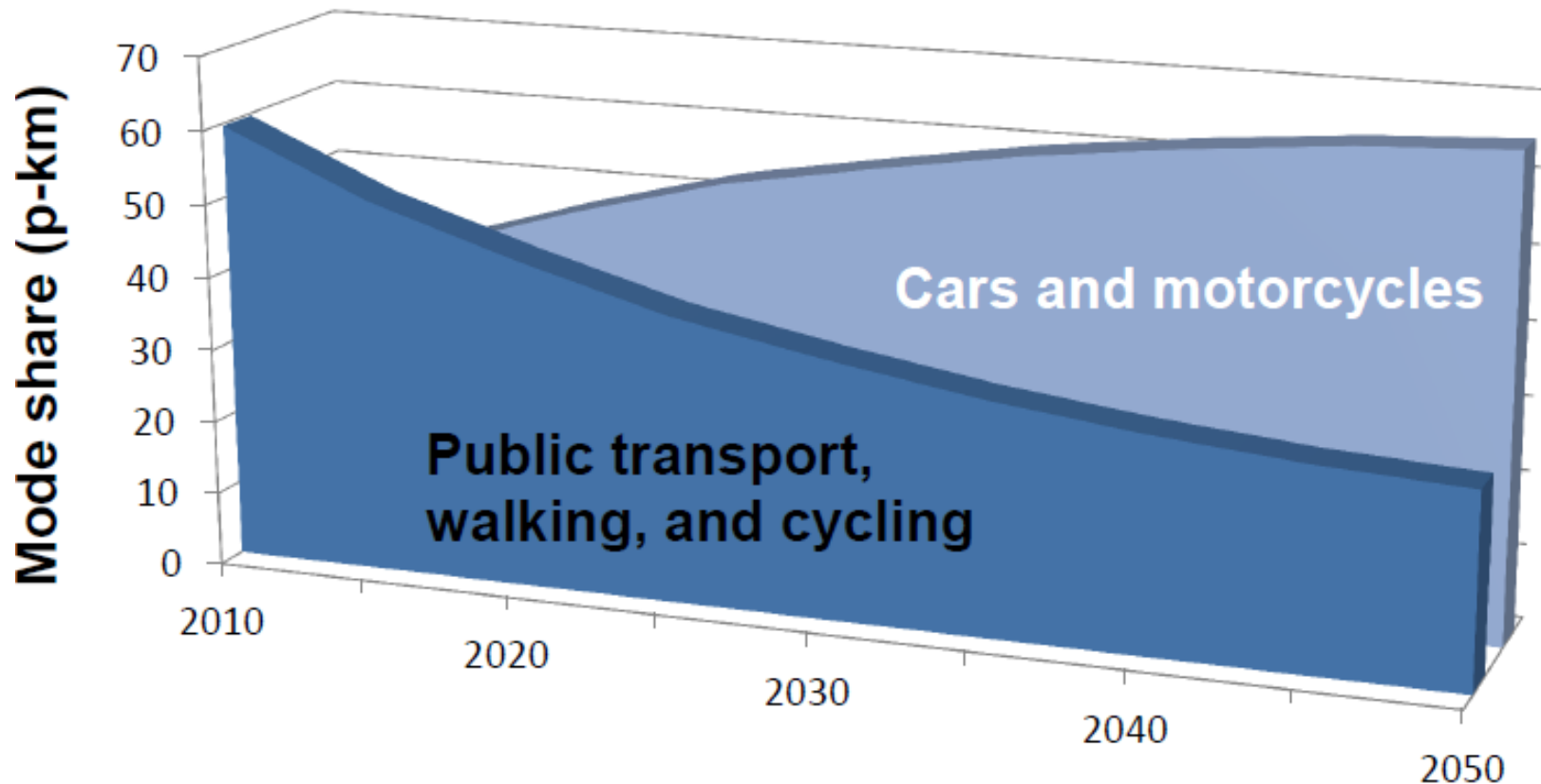
Massive investment needs

- **\$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, 2nd leading cause for 6-14 year olds
- Vulnerable users are 50–75% of deaths
- Costs 2-5% of GDP

Avoid-Shift-Improve Paradigm

Avoid

the need to
travel

Shift

to sustainable
modes

Improve

efficiency of
all modes

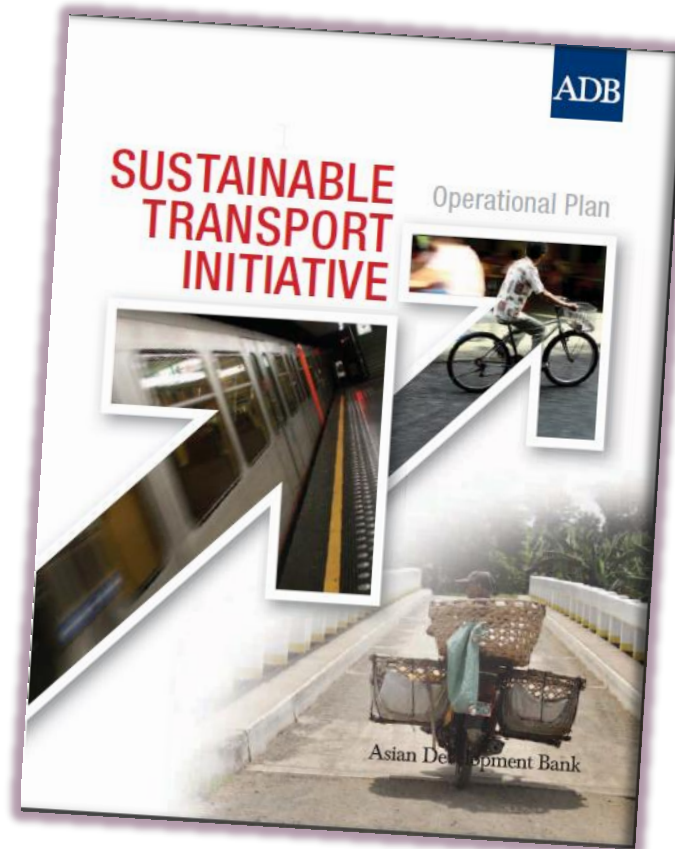


**Lower congestion, emissions,
air pollution, road accidents,
respiratory & health problems**

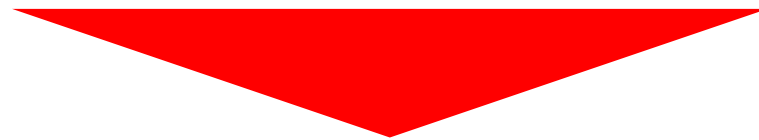
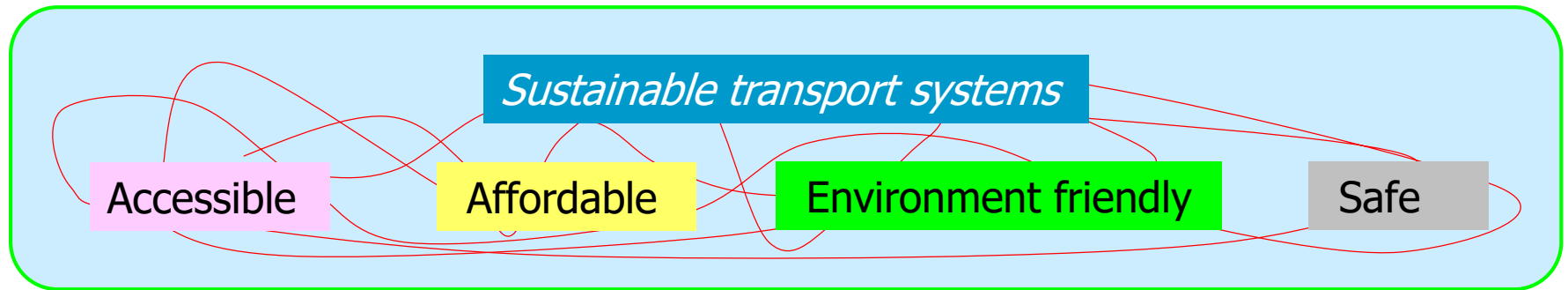


ADB's Sustainable Transport Initiative

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



STI priorities and targets

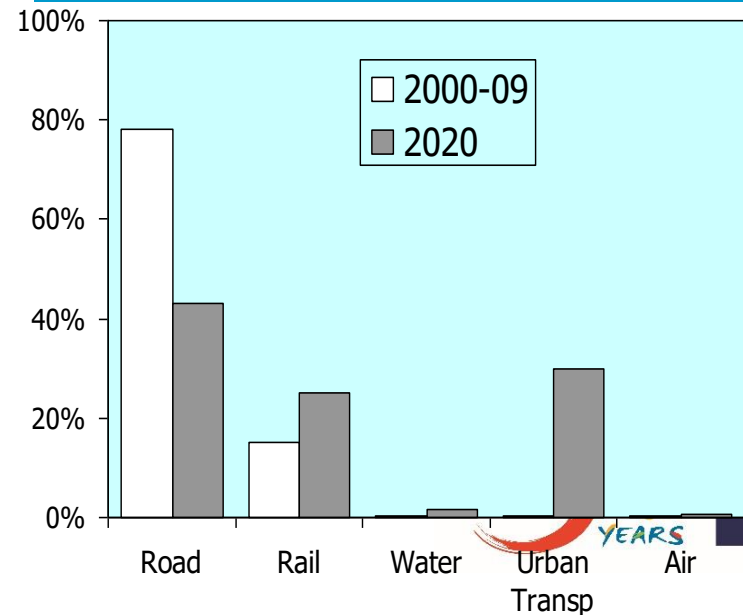


STI lending directions

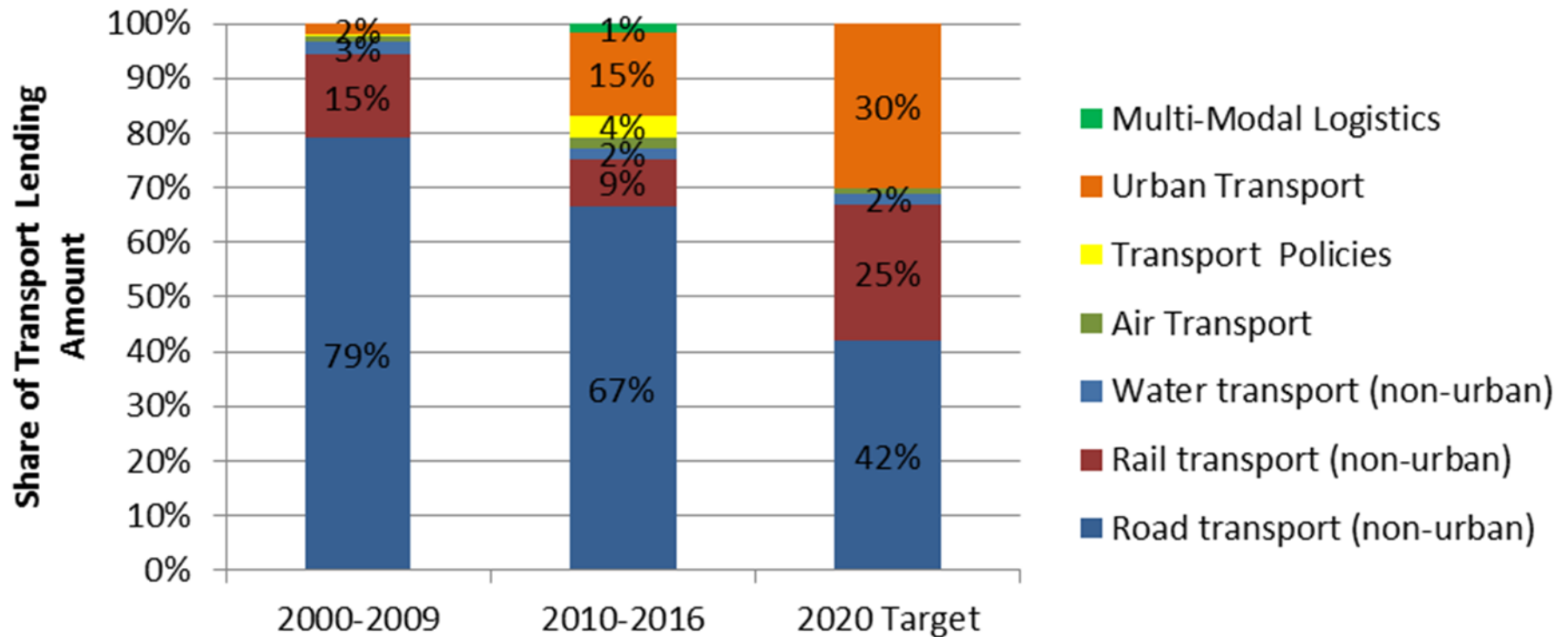
- ▷ Mainstream sustainability in roads
- ▷ Scale up 4 areas

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

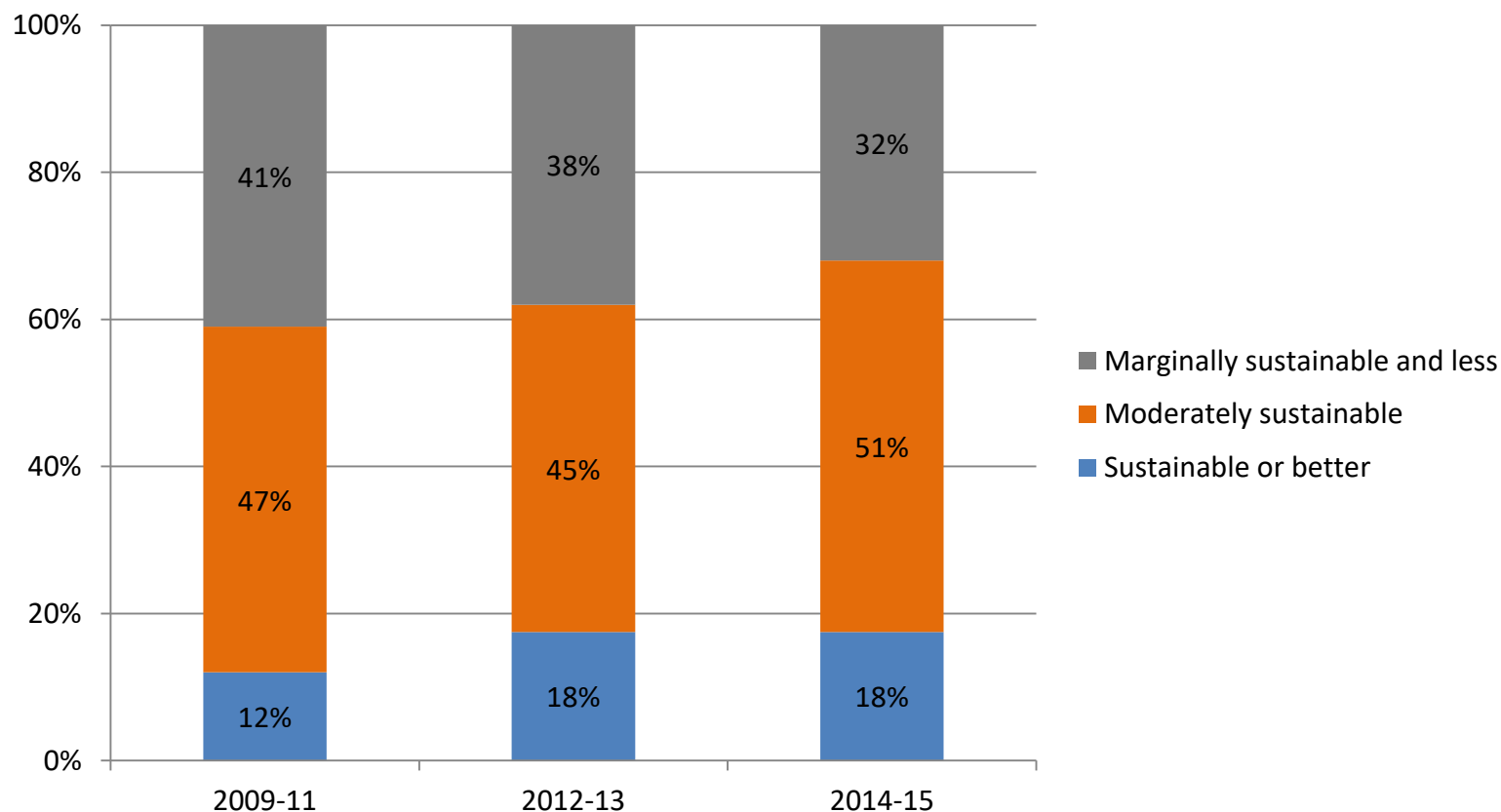
STI subsector lending targets



Progress against STI lending targets



Rated sustainability of transport lending (using STAR)

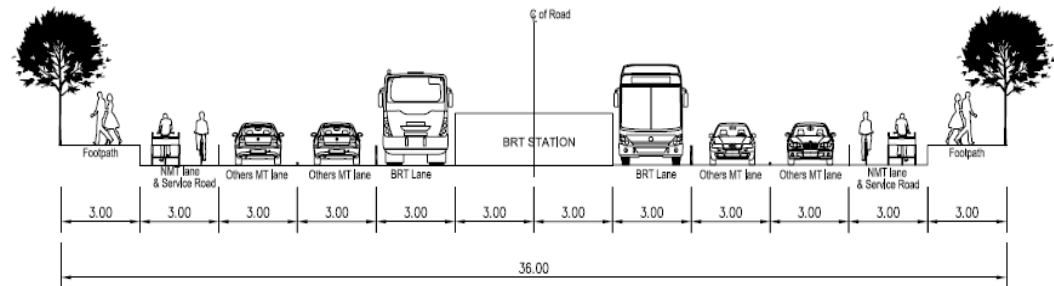


ADB transport operations: 2016 in numbers

Total of **41** loans and grants and **27** technical assistance projects approved

Projects represented a total of **\$4.09 billion** in ADB investment, 23% of total ADB

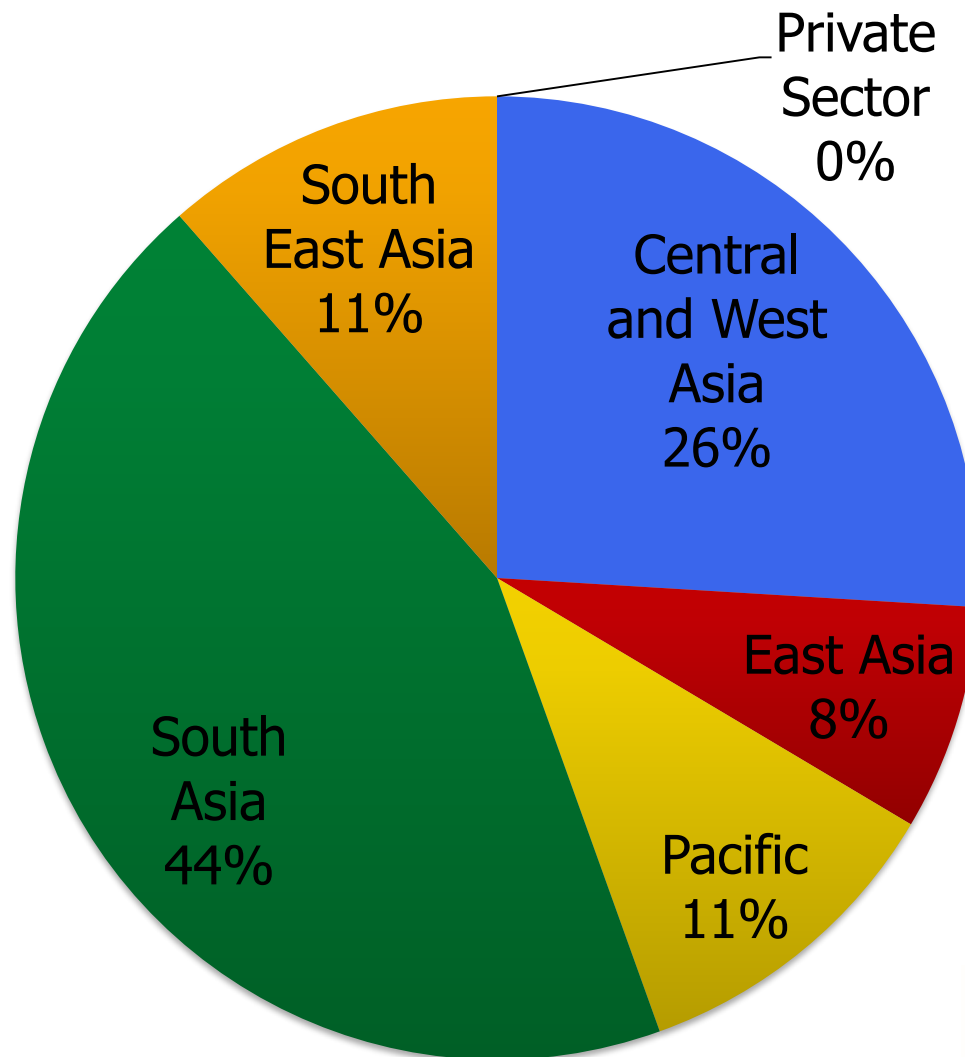
Serving **30** countries



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



Transport approvals by subregion, 2016



Road transport

**Remains largest
ADB transport
sub-sector**

- ❑ Performance-based contracting
- ❑ Climate resilient infrastructure
- ❑ Cross-border regional networks
- ❑ Road safety initiatives



Examples of road transport approvals, 2016

India

Madhya Pradesh District Roads II Sector Project
\$300 million

Uttar Pradesh Major District Roads Improvement Project
\$300 million

Bihar New Ganga Bridge Project
\$500 million



Examples of road transport approvals, 2016

Nepal

**South Asia Subregional
Economic Cooperation
Roads Improvement
Project \$186.8 million**

Uzbekistan

**Kashkadarya Regional
Roads Project \$198
million**

Kazakhstan

**CAREC Corridors 1 and 6
Connector Road (Aktobe-
Makat) Reconstruction
Project \$240.3 million**



Examples of road transport approvals, 2016

PRC

**Ningxia Liupanshan
Poverty Reduction Rural
Roads Development
Project \$100 million**

Timor Leste

**Dili Baucau Highway
Project \$49.65 million**

Papua New Guinea

**Highlands Region Roads
Improvement
Investment Program –
Tranche 3
\$106.99million**



Examples of road transport approvals, 2016

Tajikistan

**CAREC Corridors 2, 5, and
6 Road Project
(Dushanbe-Kurgonteppa)
Road Project \$65.2 million**

Solomon Islands

**Sustainable Transport
Infrastructure
Improvement Program
\$15.75 million**

Viet Nam

**Support to Border Areas
Development project
\$104.12 million**



India: Bihar New Ganga Bridge Project



Water transport approvals, 2016

PRC

**Chongqing Integrated Logistics
Demonstration Project
\$9.9 million**

Maldives

**Kulhudhuffushi Harbor
Project \$9.69 million**

Tuvalu

**Outer Island Maritime
Infrastructure Project
\$11.3 million**



Railways approvals, 2016

Bangladesh

**South Asia
Subregional
Economic
Cooperation
Chittagong-Cox's
Bazar Railway
Project, Phase 1
(Tranche 1)
\$300 million**



Urban transport approvals, 2016

Armenia

**Infrastructure
Sustainability Support
Program (Phase 2)**

\$10.5 million

PRC

**Air Quality Improvement
in the Greater Beijing-
Tianjin-Hebei Region-
China National Investment
and Guaranty
Corporation's Green
Financing Platform**

\$59.8 million



Urban transport approvals, 2016

Viet Nam

**Greater Mekong Subregion
Ben Luc-Long Thanh
Expressway Project –
Tranche 2**

\$639.82 million

Solomon Islands

**Sustainable Transport
Infrastructure
Improvement Program**

\$2.1 million

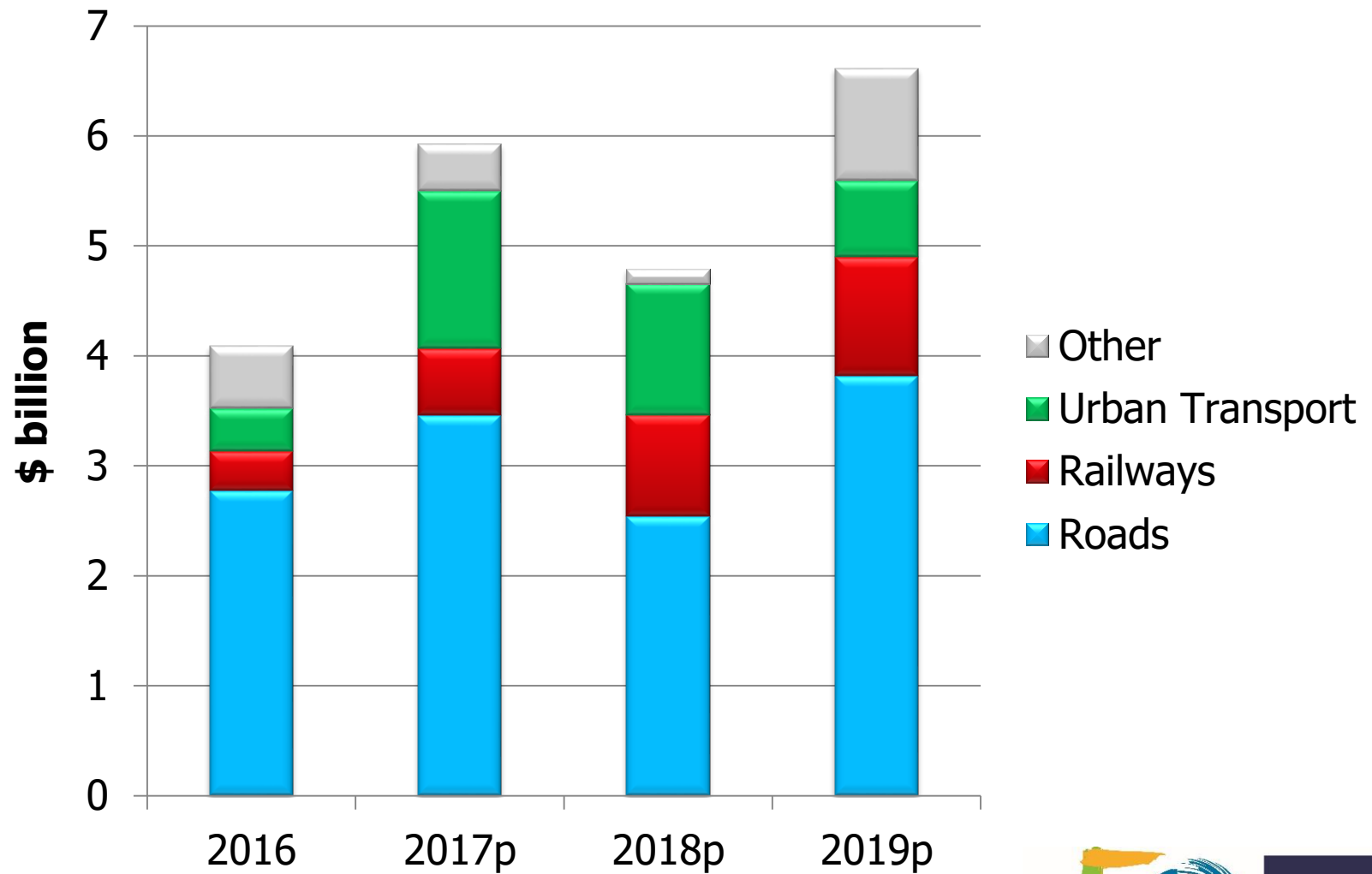
Pakistan

Karachi Bus Rapid Transit

\$7 million



Transport lending pipeline, 2017-19



Transport lending pipeline, 2017-19

Subsector	Projects in 2017-19 pipeline
Roads (non-urban)	Av. annual lending of \$0.6–1.2B in each of Central & West, South, SE Asia regions; lower in East Asia, Pacific. In many DMCs, large programs in IND, SRI, KAZ, VIE
Rail (non-urban)	Expanded lending especially in South Asia in 2018, 2019. Major projects include BAN, and IND, with new rail lending in PAK, TKM, UZB, AZE, SRI, PRC, MON
Water transport	Small but important support for ports and shipping, mainly in Pacific: TUV, TIM, PNG, NAU, SAM, also IND and BAN
Air transport	Airports and related support mostly in small DMCs: NEP and PNG
Urban public transport	In 2017 and 2018 more support for metro in VIE, BAN, IND, THA, BRTs in several PAK cities, PRC, MON, PHI, GEO mass transit
Urban roads and traffic mgt	Often as part of urban development projects. ARM, GEO, MLD, KIR, BAN, LAO, PRC, IND, MON
Multimodal logistics	infrastructure for inclusive growth in VIE

Emerging types of ADB transport operations

- **Mass transit** – metro, bus rapid transit
- **Intelligent transport systems** – e.g. electronic fare collection, bus info systems, travel info systems
- **Electric vehicles** – charging infrastructure
- **Energy efficient technologies** e.g. for railways, vehicles
- **Multimodal transport hubs** e.g. rail/metro/bus
- **Scaled-up structured financing** for railways and mass transit e.g. combining domestic bonds, syndicated loans, guarantees, ADB sovereign financing



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Thank you!