



ADB

BUSINESS
OPPORTUNITIES
FAIR



Asian Development Bank Headquarters, Manila, Philippines

9th ADB Business Opportunities Fair

Thematic Opportunities: Private Sector Operations

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ADB

KEY OBJECTIVE

- Private Sector Ops
 - Seeks to identify
- commercially
- viable
- transactions

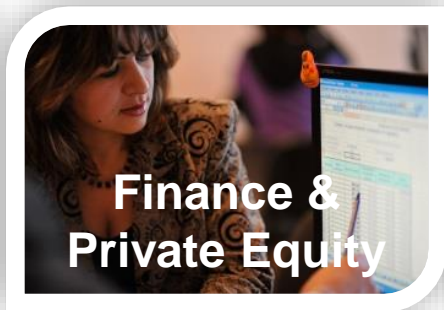
- without sovereign guarantees
- generate attractive financial returns
- promote environmentally sustainable and inclusive economic growth



Key Sectors



Generation (particularly renewables), **transmission, distribution, water/waste, transport** and **associated services** (airports/airlines, roads, ports/shipping, logistics, rail/rolling stock), **natural resources** (oil/gas, mining)



Access to finance through financial intermediaries (rural, microfinance, M/SMEs, climate, inclusive business and gender mainstreaming), **insurance, digital finance**, filling market gaps via **trade and supply chain financing**, working through private equity funds



Inputs (seeds, irrigation, cold storage), **farming** (crop, livestock, dairy), **processing** (grains, meats, packaging), **distribution** (wholesale/retail markets)



Suppliers (pharmaceuticals, medical equipment), **Providers** (hospitals, clinics), distributors (pharmacies, supply chain), **e-health**, and in person and online **education**

Project Approvals (2015-2017)

Central and West Asia

Armenia

- FINCA Bank
- Electric Networks of Armenia
- Ameriabank

Azerbaijan

- AccessBank
- FINCA Bank
- Shah Deniz Stage II Gas Field Expansion
- Shah Deniz Gas Field Expansion

Georgia

- TBC Bank
- Credo Bank
- FINCA Bank

Kazakhstan

- JSC Samruk Energy Restructuring and Transformation

Kyrgyz Republic

- Bai Tushum Bank

Pakistan

- Engro Fast Track LNG Regasification
- 102 MW Gulpur Hydropower
- Triconboston Wind
- Khushhali Bank
- Zorlu Solar Power

Year	2015	2016	2017
Projects	27	26	29
Volume (\$MM)	2,626	2,502	3,150
CWRD	580	601	280
EARD	325	325	740
PARD	0	0	2
SARD	924	865	1,047
SERD	702	664	461
REGIONAL	95	47	620

- Agribusiness
- Energy – Renewable
- Energy – Other
- Financial Institutions
- Info, Com and Telecom
- Private Equity
- Transport
- Water
- Other

South Asia

Bangladesh

- BRAC Bank
- Eastern Bank Limited
- Reliance Bangladesh LNG and Power

Bhutan

- Hazelnut Value Chain Development

India

- IndusInd Bank
- Shapoorji Affordable Housing
- Green Energy Corridor & Grid Strengthening
- Mytrah Wind and Solar Power Development
- Simpa Off-Grid Prepaid Solar Leasing
- RBL Bank
- PNB Housing Finance
- JFS Limited Debt Financing
- Au Financiers Limited
- ReNew Clean Energy
- Satin Creditcare Network
- Capital First
- Kutch Wind Project
- Cholamandalam Investment and Finance
- True North Fund VI

Sri Lanka

- LOLC Finance and LOLC Micro Credit
- Hatton National Bank
- Shipyard Rehabilitation and Infrastructure

Pacific

Samoa

- Jarcon Pty Limited and Sun Pacific

Regional

- Distributed Energy Storage Solutions
- Microfinance Risk Part & Gty
- Micro Credit Ratings International
- Creador Fund III
- VI Fund III
- High-Value Horticulture Development
- CreditAccess Asia
- OrbiMed III
- ASEAN Distributed Power Phase 1
- ASEAN Distributed Power Phase 2
- Agricultural Value Chain Development

East Asia

People's Republic of China

- Western Counties Water and Wastewater Mgmt
- SME Industrial Wastewater and Sludge Treatment
- CFPA Microfinance
- Yingda International Leasing for Healthcare Fin
- Sustainable Dairy Farming and Milk Safety
- Integrated Wastewater Management
- Inclusive and Sustainable Livestock Farming
- Urban and Rural Integration Water Distribution
- China Everbright Renewable Energy
- Minsheng Financial Leasing for Green Transport Fin
- Environmentally Sustainable Agricultural Input
- Integrated Urban Water Management Project
- Geothermal District Heating Project

South East Asia

Cambodia

- Cambodia Solar Power

Indonesia

- Tangguh LNG Expansion
- Muarah Laboh Geothermal Power
- Eastern Indonesia Renewable Energy

Myanmar

- Nationwide Telecommunications
- Myingyan Natural Gas Power Plant
- Yangon Urban Renewal and District Cooling
- Telecommunication Towers Infrastructure

Philippines

- Tiwi and MakBan Geothermal Climate Bonds
- 150 MW Burgos Wind Farm

Thailand

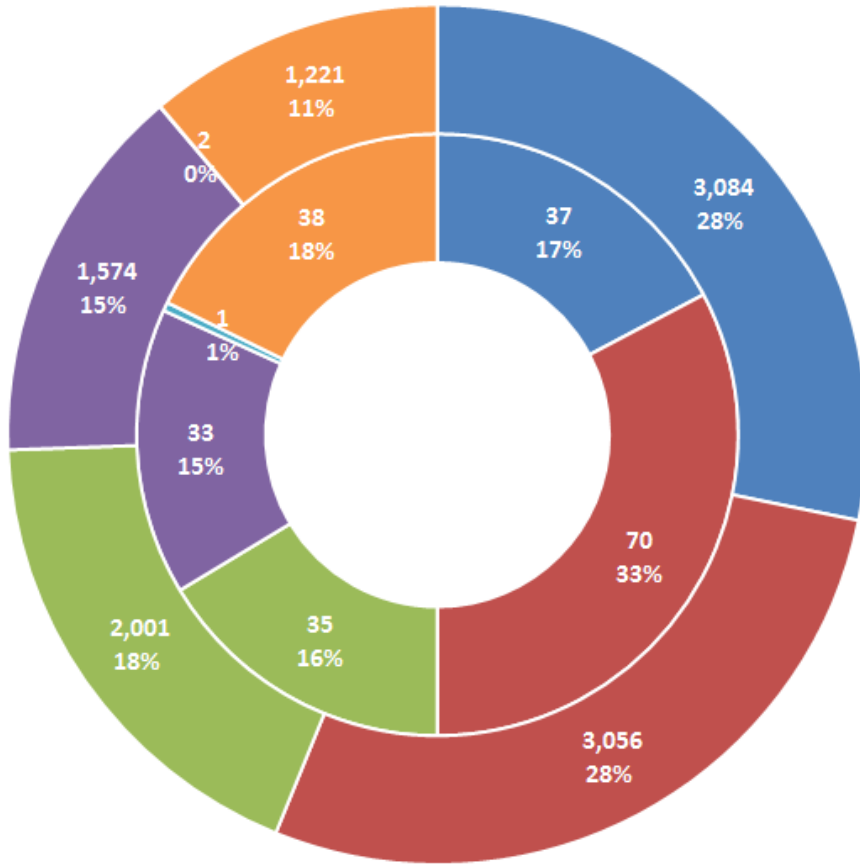
- 260 MW Northeastern Thailand Wind Power
- Distributed Commercial Solar Power
- Grid-Parity Rooftop Solar
- Southern Thailand Waste-to-Energy
- Cornerstone Investment in Leading IPP
- Bond Guarantee for RE and Energy Storage

Viet Nam

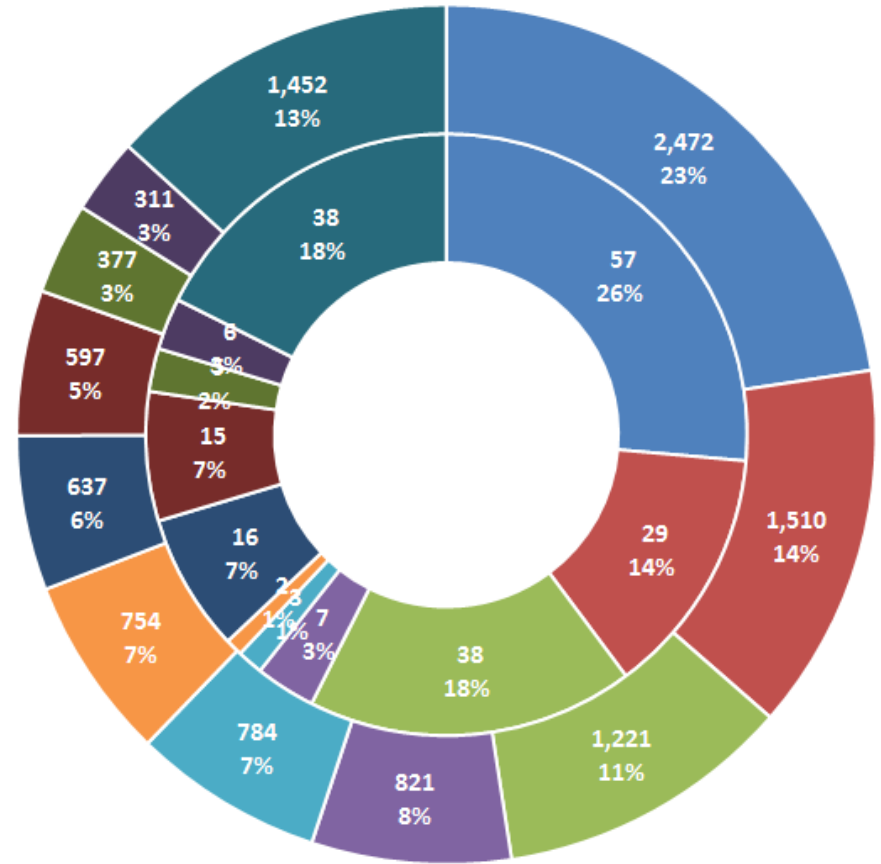
- Municipal Waste to Energy Project
- An Binh Commercial Joint Stock Bank

Portfolio as of 12/2017 (Outside Volume \$MM, Inside Project Count)

By Region



By Country



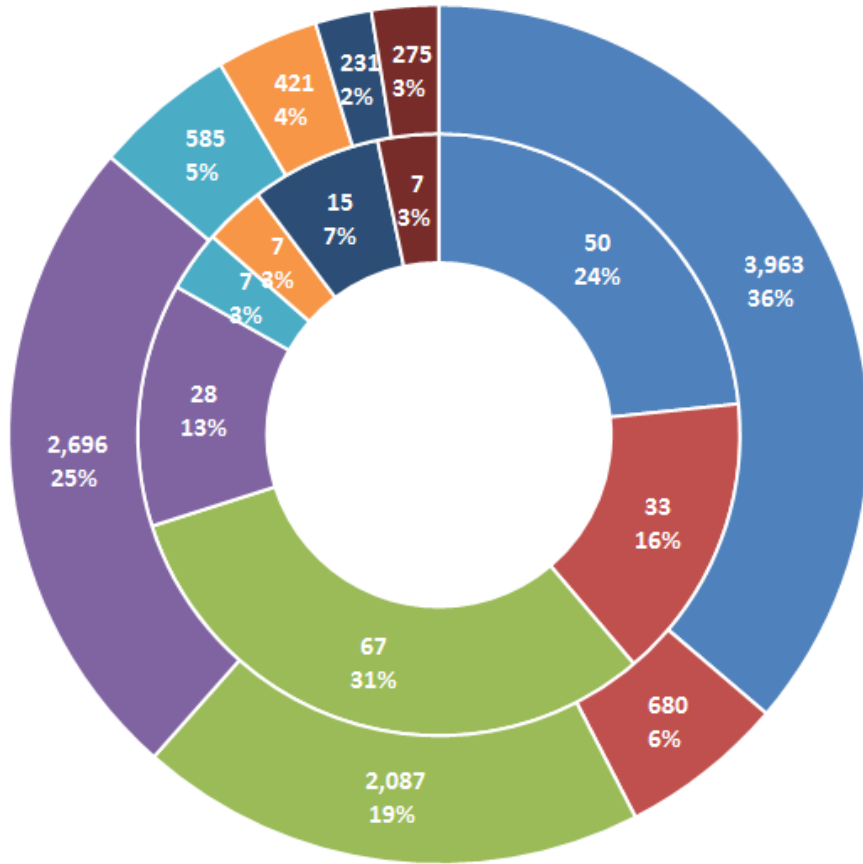
- Southeast Asia
- Central and West Asia
- Pacific

- South Asia
- East Asia
- Regional

- IND
- PRC
- REG
- INO
- AZE
- VIE
- PAK
- THA
- MYA
- BAN
- OTH

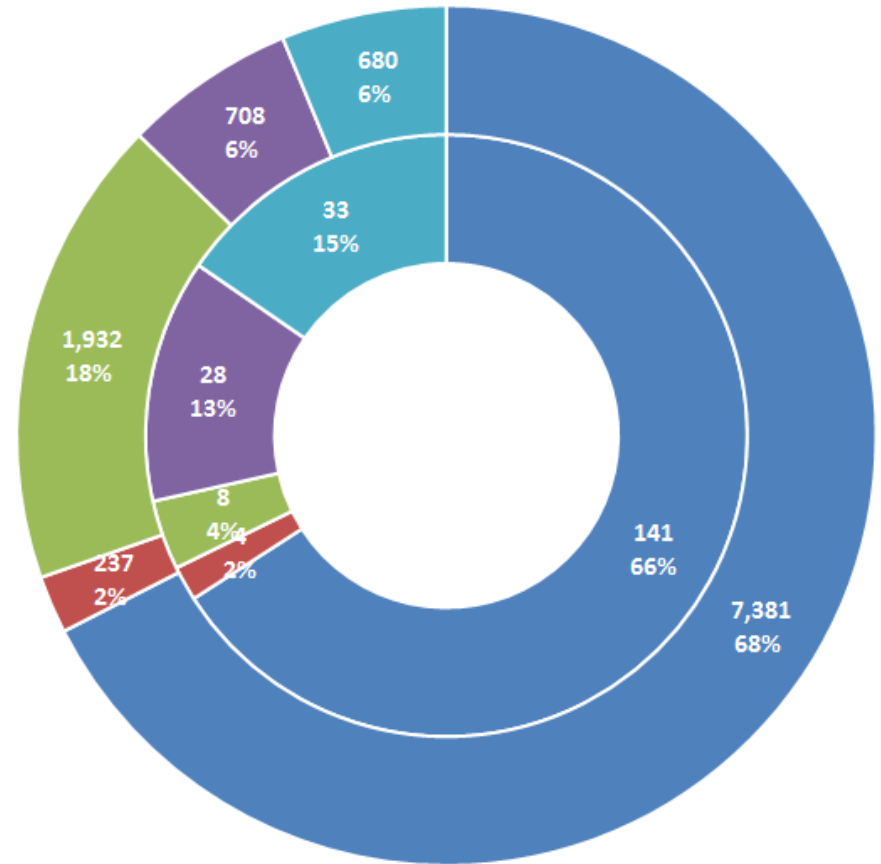
Portfolio as of 12/2017 (Outside Volume \$MM, Inside Project Count)

By Sector



- Financial Institutions
- Private Equity Funds
- Clean Energy
- Other Energy
- Water and Urban
- Transport
- Agribusiness
- Other

By Product Type



- Loan
- Debt Security
- Guarantee
- Equity
- Funds

Products and Services

Instrument	Typical Size	Typical terms	When is it relevant?
Debt	\$20M - \$500M	<ul style="list-style-type: none"> • 7 years (corporate) to 15+ years (project) • LIBOR / ADB cost of fund in local currency + credit spread • Secured or unsecured 	<ul style="list-style-type: none"> • Established company with large balance sheet, strong cash flow • Possibility to mobilize cofinancing under B-loan or risk participation
Equity	\$2M - \$100M	<ul style="list-style-type: none"> • 25% ownership maximum • Board seat • Minority protection rights • Put on the parent company 	<ul style="list-style-type: none"> • Growing company in a pre-IPO or pre-trade sale situation
Guarantees	\$20M - \$500M	<ul style="list-style-type: none"> • Partial credit guarantees: market based, fees based off lenders' margin • Political risk guarantees: market based, fees based off reinsurance market 	<ul style="list-style-type: none"> • Where other lenders are more efficient than ADB in mobilizing local currency, or reaching target customers (PCG) • In frontier markets (PRG)
Donor Funding	\$5M - \$10M	<ul style="list-style-type: none"> • Long term loan at concessional interest rate to be "blended" with ADB financing • First loss cover 	<ul style="list-style-type: none"> • Whenever donor funds managed by ADB are available • Applicable for climate mitigation and adaptation projects or low-income countries
Technical Assistance	\$0.5M - \$1M	<ul style="list-style-type: none"> • For project preparation TA, reimbursable at closing • For capacity development TA, non-reimbursable grant 	<ul style="list-style-type: none"> • For projects in need of additional, concessional financial assistance

Working with PSOD

- Key difference between working with public and private sector arms of ADB
 - PSOD rarely participates at the design stage of projects
 - Project sponsors have, in most cases, already selected contractors and advisors
- When does PSOD make use of advisors?
 - Complex financings which require lenders' engineers, & legal, financial and other advisors
 - Implementation of technical assistance
- Strategic themes
 - Early-stage project development
 - Opportunities in all DMCs (knowledge of local markets)
 - Climate change
 - Technology

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