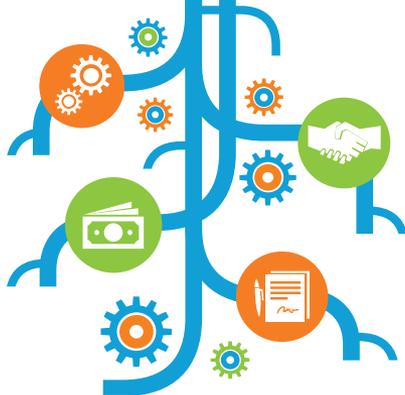




# 10th BUSINESS OPPORTUNITIES FAIR 2019



## Energy Sector Southeast Asia Energy Division



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Southeast Asia Regional Department, ADB  
27 March 2019



# Overview

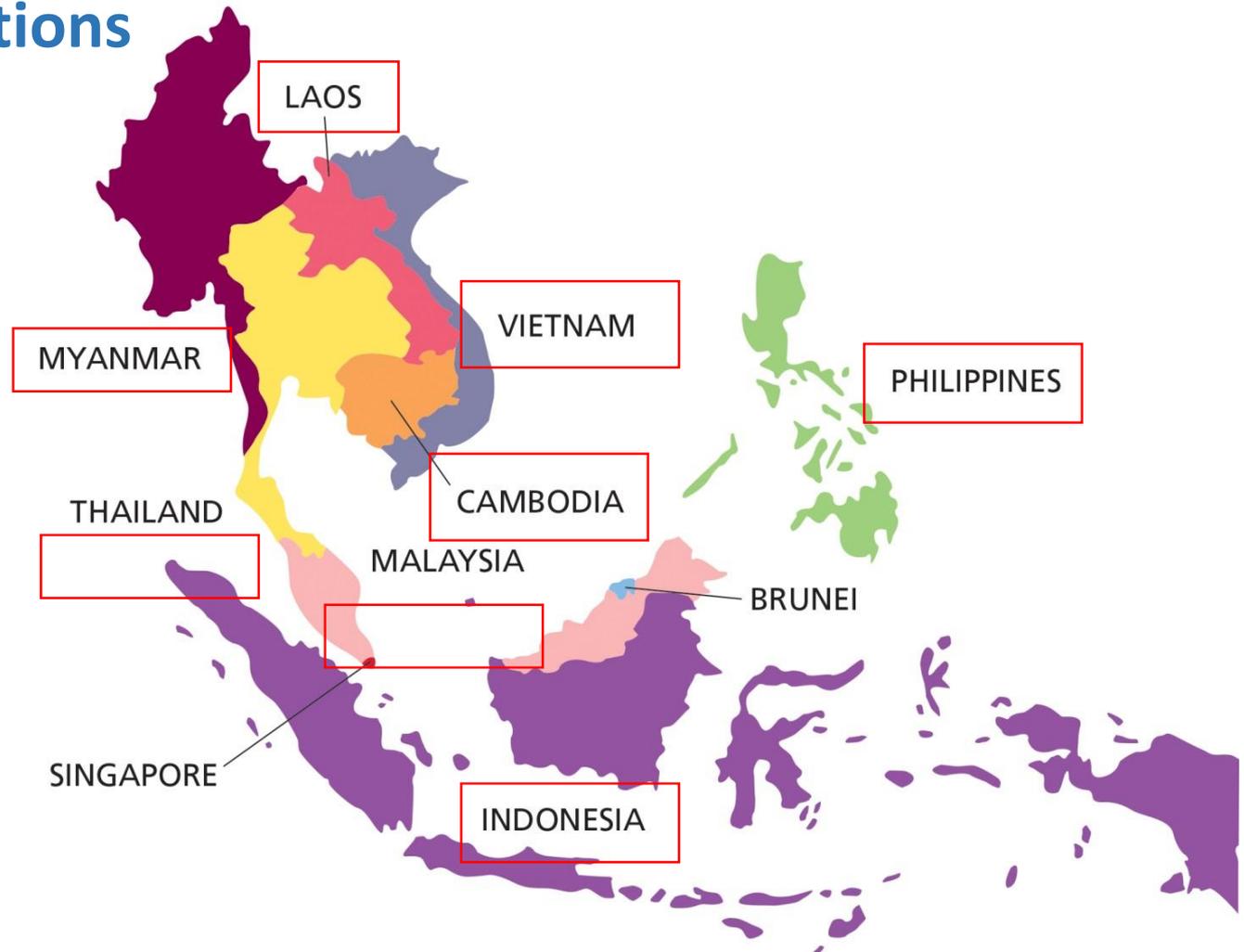


- Ongoing Operations Southeast Asia Energy Sector
- Challenges
- Our Focus
- Lending and Non-lending Program
- Opportunities
- Lessons and issues for consideration

# Southeast Asia Regional Department Energy Division (SEEN)

## Ongoing Operations

- Cambodia
- Indonesia
- Lao PDR
- Malaysia
- Myanmar
- Philippines
- Thailand
- Viet Nam



# Southeast Asia Energy Sector Challenges

- Access, especially access among the poor
- Dependence on imported fossil fuels
- Carbon footprint
- Regional connectivity
- Grid development
- Energy efficiency
- Institutional development

## Resources

- \$2.7 trillion investment in energy supply and efficiency through 2040 in ASEAN<sup>1</sup>

<sup>1</sup> International Energy Agency. *Southeast Asia Energy Outlook 2017*. 2017. Paris

# Our Focus

12 Projects, \$2.2 billion

## INFRASTRUCTURE DEVELOPMENT

- Power generation
- Transmission
- Distribution
- New and Advanced Technologies

## LOW CARBON DEVELOPMENT

- Clean energy
- Energy efficiency/loss reduction
- Carbon Capture & Storage

## ACCESS TO ENERGY

- Providing access to modern forms of energy to the unconnected
- On-grid and off-grid
- OBA<sup>1</sup>

## POWER SECTOR REFORMS

- Sector restructuring/ unbundling
- Capacity Development

## REGIONAL INTEGRATION

- GMS (RPTCC)<sup>2</sup>
- ASEAN<sup>3</sup>
- BIMP-EAGA<sup>4</sup>

<sup>1</sup> Output-Based Aid

<sup>2</sup> Greater Mekong Subregion (Regional Power Trade Coordinating Committee)

<sup>3</sup> Association of Southeast Asian Nations

<sup>4</sup> Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area

# Lending Pipeline - 2019

Project Name	Country	Loan Amount (\$ million)	Lending Modality	Approval date	Implementation Period
National Solar Park Project	CAM	21.8 (COL= 7.8 + SREP = 14)	Project loan	Q2 2019	2019-2022
Sustainable Energy Access in Eastern Indonesia (SEAEI) – Power Generation Sector Project	INO	635 (OCR= 600 + AIF = 35)	Sector loan	Q3 2019	2020-2024
SEAEI – Electricity Grid Development Program Phase 2	INO	600 (OCR= 600)	RBL	Q4 2019	2020-2025
GMS Northern Cross-border Power Trade and Distribution Project (standby)	LAO	30 (COL=30)	Project loan	Q3 2019	2019-2024

COL= Concessional OCR loan; OCR= Ordinary Capital Resources; RBL=Results-Based Lending; SREP=Scaling up of renewable energy program in low-income countries

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

# Lending Pipeline - 2020

Project Name	Country	Loan Amount (\$ million)	Lending Modality	Approval date	Implementation Period
SEAEI-Power Transmission Sector Project	INO	500 (OCR=500)	Sector Loan	Q2 2020	2020-2026
Sustainable and Inclusive Energy Program, Subprogram 3	INO	710 (OCR= 400 + AFD/KfW=310)	Policy based loan	Q2 2020	2020
Geothermal Power Generation Project	INO	300 (OCR=300)	Project loan	Q2 2020	2020-2024
Sustainable Power System Development Project (standby)	MYA	300 (OCR=300)	Project loan	Q3 2020	2020-2024

SEAEI=Sustainable Energy Access in Eastern Indonesia

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

# Lending Pipeline - 2021

Project Name	Country	Loan Amount (\$ million)	Lending Modality	Approval date	Implementation Period
Grid Reinforcement Project for Expanded Renewable Energy Generation Project	CAM	80 (COL=80)	Project loan	Q3 2021	2021-2024
Sustainable and Efficient Energy Sector Development Program	INO	710 (OCR= 400 + AFD/KfW=310)	Sector Dev't Loan	Q3 2021	2021-2024
SEAEI-Liquified Natural Gas Distributed Infrastructure Project	INO	300 (OCR=300)	Project loan	Q3 2021	2021-2024
SEAEI-Electricity Grid Development Program Phase 3	INO	300 (OCR=300)	RBL	Q3 2021	2022-2026

RBL=Results-Based Lending; SEAEI=Sustainable Energy Access in Eastern Indonesia

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

# Technical Assistance - 2019-2021

Project	Country	Value (\$ million)	Modality	Approval date	Implementation Period
Capacity Development in the Electric Utility Industry (piggybacked)	CAM	0.50	Capacity development	Q2 2019	2019-2020
Sustainable Infrastructure Assistance Program Phase II - Supporting Sustainable and Efficient Energy Policies and Investments	INO	1.50	Project preparation	Q2 2019	2019-2020
Sustainable Infrastructure Assistance Program Phase II - Supporting Sustainable and Universal Electricity Access	INO	2.50	Project preparation	Q2 2019	2019-2020
TRTA Facility- Southeast Asia Energy Sector Development, Investment Planning and Capacity Building, Phase 1 (supplementary)	INO, MYA, VIE	3.35	Project preparation	Q2 2019	2019-2021
TRTA Facility- Southeast Asia Energy Sector Development, Investment Planning and Capacity Building, Phase 2	CAM, INO, MYA, PHI, VIE	5.00	Project preparation	Q2 2021	2022-2024

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

# Key Opportunities

## - Viet Nam

Project/Grant	Package Description	Value (\$ million)	Procurement method	Tentative Date of Advertisement
Ha Noi and Ho Chi Minh City Power Grid Development Sector Project	<b>(i) EVN Ha Noi - 7</b> subprojects, 110 kV transmission system and substations	\$33 million	NCB	From April 2019 to April 2020
	<b>(ii) Evn Ho Chi Minh- 4</b> subprojects, 220 and 110 kV transmission lines and substations	\$60 million	ICB	From April 2019 to April 2020

# Key Opportunities 2019-2020

- Indonesia

<b>Project/Grant</b>	<b>Package Description</b>	<b>Value (\$ million)</b>	<b>Procurement method</b>	<b>Tentative Date of Advertisement</b>
Sustainable Energy Access in Eastern Indonesia-Power Generation Sector Program	Gas-Fired Power Plant Kaltim-2 Peaker 100MW	60	ICB	April 2019
	LNG-Power Minahasa Peaker 2 150MW	90	ICB	June 2019

# Key Opportunities 2019-2020

## - Myanmar

<b>Project/Grant</b>	<b>Package Description</b>	<b>Value (\$ million)</b>	<b>Procurement method</b>	<b>Tentative Date of Advertisement</b>
Loan 3330- Power Transmission Improvement project	Plant supply design and installation of 230 kV transmission line in Yangon	\$49 million	ICB	Q3 2019
Lon 3748- Power Network Development Project	(i) Transmission System Development	\$142 million	ICB	Q2 2019
	(ii) Distribution System Development	\$98 million	ICB	Q2 2019

# Lessons

- Understanding the country context is crucial
- Consultants activities for Loan processing and project implementation are different - Deploy teams having right expertise and experience
- Technical experts shall have experience in utility practices
- Quality deliverables



Thank you!

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