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ADB

Private Sector Operations Business Opportunity Seminar

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One ADB Approach

NON-COMMERCIAL PROJECTS

SOME POTENTIAL FOR COMMERCIAL VIABILITY

COMMERCIAL PROJECTS

Sovereign Operations

- Policy dialogue on tariff (heat/water/wastewater)
- Financial sector reform/credit enhancement

Advisory services Credit Enhancement Policy Dialogue

Where market solutions are not possible due to market failures or perceived risks, EARD/OPPP/PSOD work together to **contribute to policy dialogue and improving enabling environment**

Non-Sovereign Operations



Support MSMEs



Supply chain finance



Access to education & health



Enhance digital connectivity



Access to basic urban services



Smart green urban transport



Clean efficient energy



Agribusiness infrastructure development



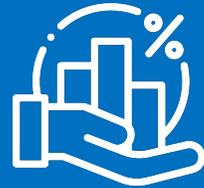
Sustainable agribusiness value chain

ADB's Value Addition to Your Business



A long-term partner

who will support the growth of your business in initial years, while your business is growing



Competitive market-based pricing

stemming from ADB's AAA rating



Local currency financing

or any major currency financing



Mobilization of **co-financing**



Expertise in SDG financing

, environmental and social risk management, and corporate governance



Political risk mitigation

given ADB's sovereign lending to governments



ADB's reputation and "stamp of approval" on your business

Financial Products



LOAN

- Recourse and non-recourse loans of >\$2m with tenors up to 7 years
- Local currencies (MNT) and USD/EUR/JPY



EQUITY

- Direct investment into growth companies at any stage
- PE funds: multi-sector and regional funds
- ADB Ventures: early-stage companies focused on new technologies



GUARANTEE

- Partial credit guarantees (PCGs)
- Political risk guarantees (PRGs)



CO-FINANCE

- B-loan
- Local currency complementary loan
- Unfunded risk participation; risk transfer



TECHNICAL ASSISTANCE

- Targeted technical assistance for project preparation and capacity development

Process

ADB's Process is Commercial and Predictable



Early and continuous communication throughout the process

Project Selection

WHO OWNS THE PROJECT?



Does the Sponsor has the capacity to implement the Project?

IS THE PROJECT FINANCIALLY VIABLE?



How will the Project perform under different scenarios (base case/down-side/break-even)?

WHAT IS THE PROJECT'S CONTRACTUAL STRUCTURE?



Who are the customers? How's the sector regulated? Who is the off-taker? How price/tariff will be determined?

HOW WILL THE PROJECT CONTRIBUTE TO DEVELOPMENT GOALS?



What are the main impacts, outcomes, and outputs of the Project?

WILL THE PROJECT MEET ADB REQUIREMENTS?



Will the Project sponsors be willing to adopt environmental, social (plus gender) and governance (ESG) standards?

ADB Non-sovereign loans

Gender Inclusive Dairy Value Chain Project



Purpose: To support the expansion of Milko LLC's raw milk and fruit procurement and dairy processing capacity.

USD 7.5 million equivalent MNT loan to Milko LLC

Tavan Bogd Wheat Supply Chain Liquidity Support Project



Purpose: To provide essential liquidity to UBF and TBF to support their operations during COVID-19 crisis.

USD 15 million loan to Ulaanbaatar Flour and Tavanbogd Foods

MSMEs Financing Project



Purpose: To support expansion of MSMEs which in turn contribute to diversification of the economy and poverty reduction.

USD 60 million 5-year loan to Xac Bank

Sermsang Khushig Khundii Solar Project



Purpose: To support the development of a 15MW solar power plant near the new International Airport.

USD 18.7 million 10-year loan to Tenuun Gerel, Sermsang Power Corp and Sharp Corp

Thank you for your attention.

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