



ADB SOUTHEAST ASIA DEPARTMENT SUPPORTING INNOVATIVE FINANCE FOR ASEAN INFRASTRUCTURE

ADB

Hung Ba Nguyen
Trade Specialist, SERD, ADB

The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.

11 February 2019
Bangkok, Thailand

OUTLINE

1. ASEAN Infrastructure Fund (AIF)
2. ASEAN Catalytic Green Finance (ACGF)
3. Green & Innovative Finance Technical Assistance (GIFTA)

1. ASEAN Infrastructure Fund - Milestones

2011

Shareholders **Agreement**

2012

Incorporation

2013

Lending Operations started (**1st project approved**)

2014

Myanmar joined the AIF

2015

All equity contributions of **\$485.3m completed**

2017

Lending commitment at **\$520m**, exceeded equity base

2018

Approval of new Green and Inclusive Infrastructure Window

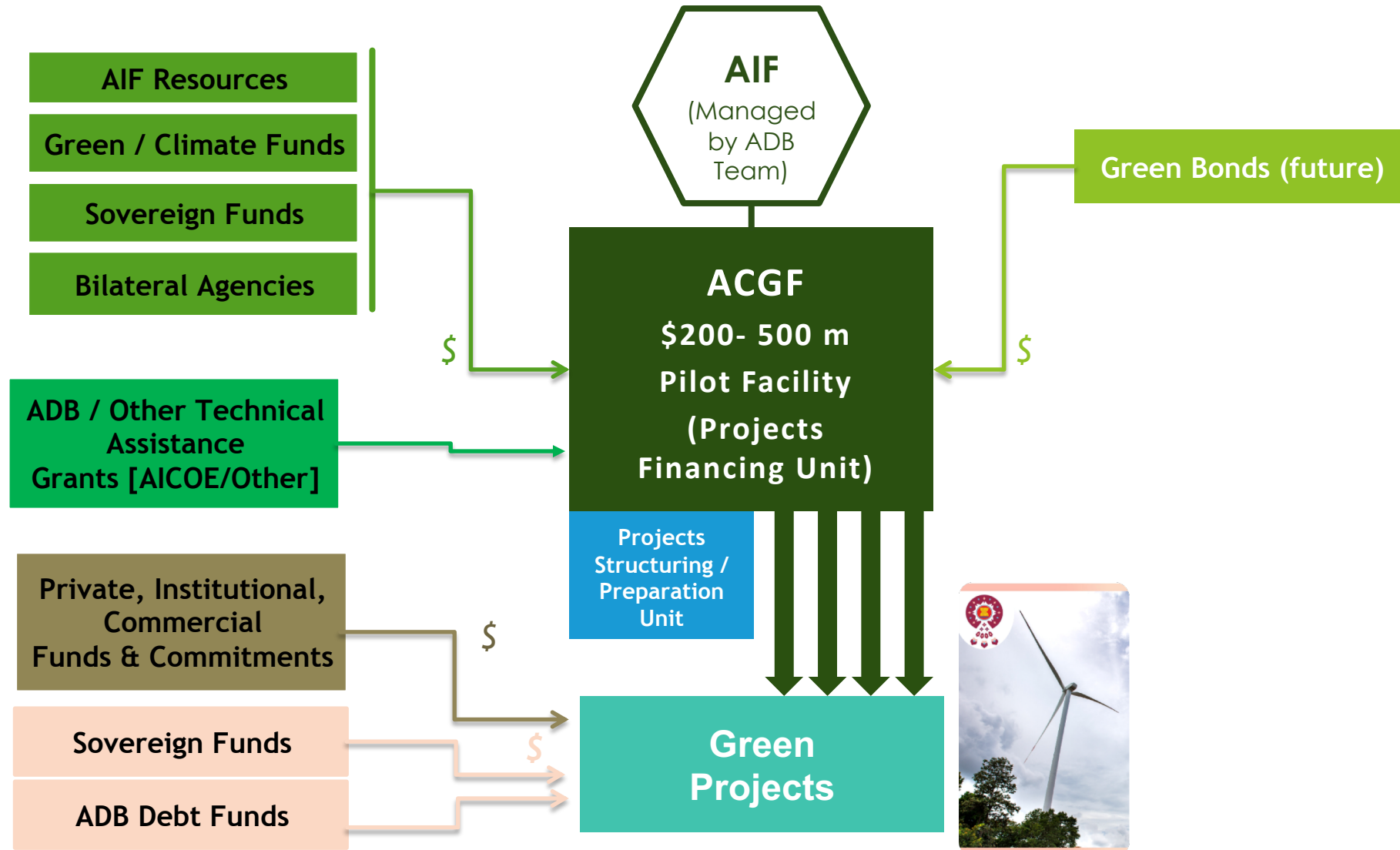
2019 -
2021

Pilot period for **new window**

2. ASEAN Catalytic Green Finance



2. ASEAN Catalytic Green Finance – STRUCTURE

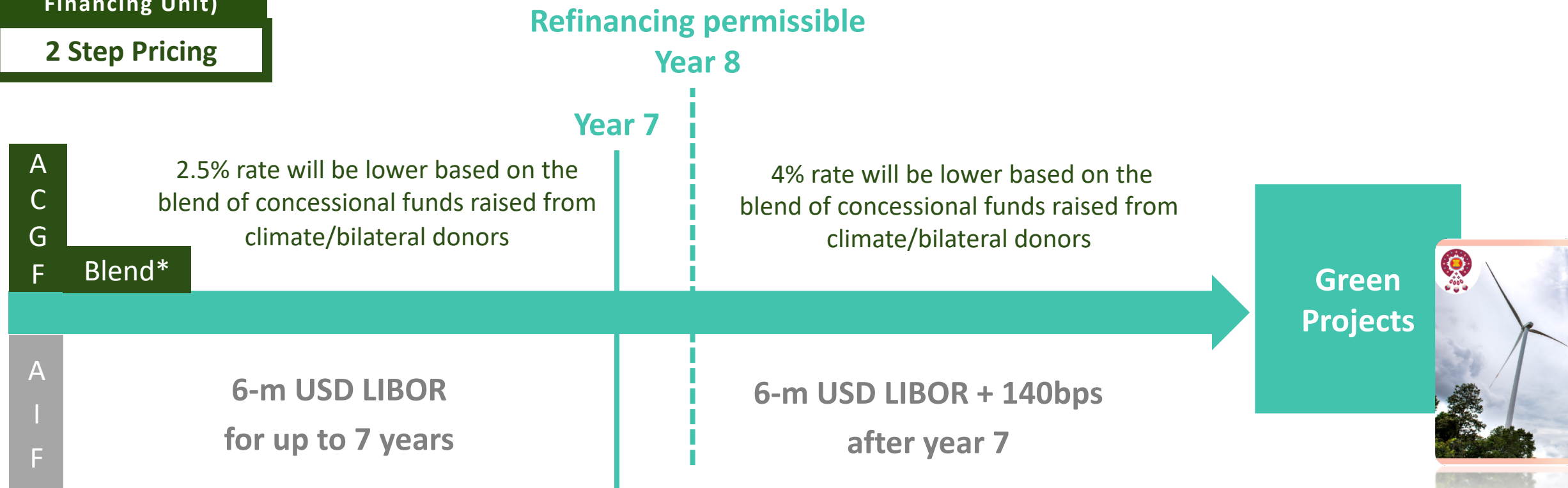


2. ASEAN Catalytic Green Finance – STRUCTURE

ACGF
\$200- 500 m
Pilot Facility
(Projects
Financing Unit)

2 Step Pricing

ACGF Blended finance will create an **innovative finance pricing structure** to de-risk projects
(one of the first in development finance)

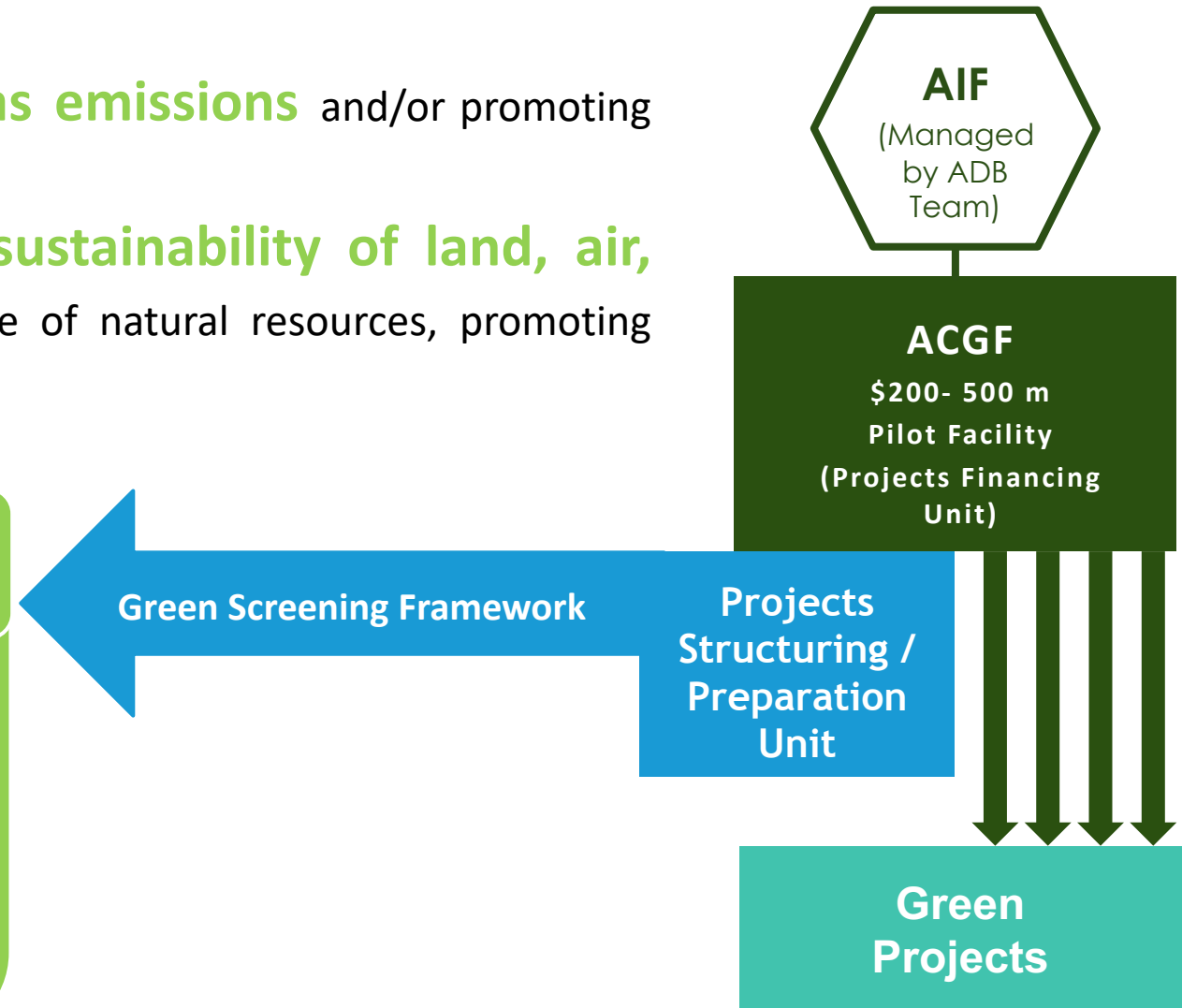
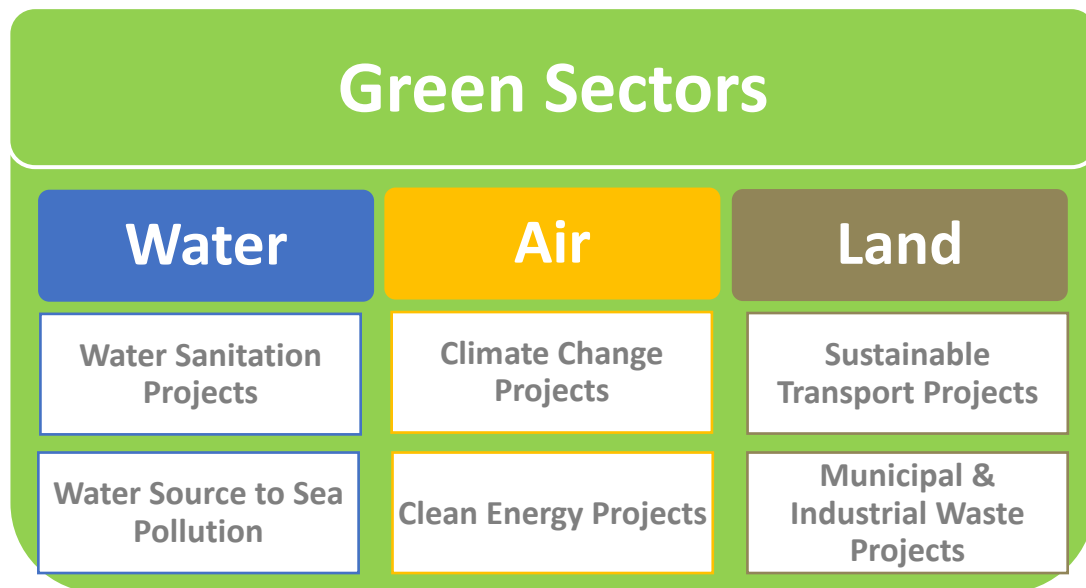


**The pricing blend is dependent on the blend of funds raised from bilateral/multilateral donors.*

2. ASEAN Catalytic Green Finance – Project Eligibility

The ACGF is to fund projects that support:

1. Contribution to **reduction in greenhouse gas emissions** and/or promoting **climate-resilient** development;
2. Contribution to the pro-active **environmental sustainability of land, air, and/or water**, by promoting more efficient use of natural resources, promoting healthy ecosystems and biodiversity.



2. ASEAN Catalytic Green Finance – Key Next Steps

AFMM April 2019

Launch of Specific ACGF Pillars through MOU signing with climate donors and knowledge partners



Operational Activities *May* 2019

- Green Framework Development
- Project Preparation and Structuring

3. ADB's Green & Innovative Finance TA

- ❖ Approved 2018, \$2.5m, additional resources TBD.
- ❖ Ready to support ASEAN countries in:
 - ❖ Developing IF concepts relevant to each country's context
 - ❖ Piloting IF concepts for projects
 - ❖ Knowledge and capacity support
- ❖ \$1m committed to supporting SDG1 GFF, can broaden support for other ASEAN countries



FOR INQUIRIES

Alfredo Perdiguero

Director, Regional Cooperation and Operations Coordination
Division

Southeast Asia Department
Asian Development Bank
aperdiguero@adb.org

Anouj Mehta

Principal Regional Cooperation Specialist
Southeast Asia Department
Asian Development Bank

amehta@adb.org

6 ADB Avenue, Mandaluyong City
1550 Metro Manila - Philippines