

# 10th BUSINESS OPPORTUNITIES FAIR 2019

ADB

## Energy —Energy Projects in South Asia

Aiming Zhou  
South Asia Department, ADB  
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# Overview



- ADB's Strategy in South Asia
- Lending pipeline (2019-2021)
- Non lending pipeline (2019-2021)
- Conclusion



# Region Strategy: South Asia



## - Key Achievements

- ✓ Remarkable improvement in access to electricity (% of population)

	1995	2000	2005	2010	2015
Bangladesh	20.76	32.00	44.23	55.26	68.20
Bhutan	12.68	34.92	59.81	73.28	98.42
India	51.50	59.40	66.93	76.30	88.00
Maldives	79.44	83.80	91.18	97.12	100.00
Nepal	7.58	27.54	47.14	55.90	87.21
Sri Lanka	61.41	69.59	77.40	85.30	92.19

- ✓ Rapid increase in per capita power consumption (kWh per year) supported by power supply capacity increase, though still low compare with world average

	1995	2000	2005	2010	2014
Bangladesh	75.90	101.49	170.68	239.83	310.39
India	360.05	394.96	469.45	642.11	805.60
Nepal	44.21	59.51	77.38	102.50	149.14
Sri Lanka	215.71	294.75	400.52	461.13	531.27
World Average	2,197.84	2,384.21	2,653.49	2,954.76	3,127.36
Japan	7,695.72	8,299.41	8,539.91	8,594.91	7,819.71

# South Asian Power Sector

## - Challenges and Opportunities

### Challenges

- To meet rapid growth in energy demand to sustain high economic growth trajectory
- Inadequate domestic energy resources – all countries except Bhutan are net energy importers
- Large number of population still lacks access to electricity (Bangladesh, India, Nepal)
- Old and inefficient power systems
- High dependency on fossil fuels
- High energy intensity
- Very low per capita electricity consumptions – power demand will soar for a decent standard of living as economy grows



### Opportunities

- Enormous investment needs for power infrastructure development to meet growing energy demand and achieve universal access
- All countries commit to reducing CO<sub>2</sub> emission in their NDCs – great opportunities for investments in clean energy (energy efficiency, renewable energy)
- Abundant indigenous renewable energy sources
- Surrounded by energy rich countries and different domestic energy resources by country (excellent potential for increased regional and sub-regional power trade)

# South Asian Power Sector

## - ADB Interventions

### Key considerations

- Strategy 2030
- ADB's commitment for increased climate financing
- ADB Energy Policy
- Sustainable Development Goal No. 7
- Country Partnership Strategies

### Focus Areas

- Expansion of power supply infrastructure
- Demand-side energy efficiency
- Renewable energy development
- Universal energy access
- Improved operational and financial performance of sector entities
- Regional power trade
- Diversification of energy resources
- Promotion of high-level technologies (HTLS, ESS, Floating solar)
- Capacity building and awareness
- Gender development

### Tools

- ADB financing products (loans and grants)
- TA support
- Cofinancing
- Knowledge partnership
- Policy dialogue
- Support for regional cooperation and knowledge sharing activities



# Lending Pipeline, 2019



Project Name	Country	Value	Modality	Approval Date	Duration
BAN: Dhaka and Western Zone Transmission Grid Expansion Project	BAN	\$350m (ADB) \$250m (AIIB)	Project loan	2019	2024
BAN: SASEC Third BAN-IND Grid Interconnection	BAN	\$126m	Project loan	2019	2024
Assam Power Sector Investment Program – Tranche 3	India	\$210m	MFF – project loan	2019	2024
IND: Uttar Pradesh Power Distribution Improvement Project	India	\$430m	Project loan	2019	2024



# Lending Pipeline, 2019 (continued)

ADB

Project Name	Country	Value	Modality	Approval Date	Duration
IND: Chennai-Kanyakumari Industrial Corridor Power Sector Investment Project	India	\$451m	Project loan	2019	2024
IND: Scaling Up Demand Side Energy Efficiency Sector Project	India	\$250m	Project loan	2019	2024
NEP: Power Transmission and Distribution System Strengthening Project	Nepal	\$150m	Project loan	2019	2024



# Lending Pipeline, 2020

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Project Name	Country	Value	Modality	Approval Date	Duration
IND: Uttarakhand Transmission Strengthening & Distribution Improvement	India	\$200m	Project loan	2020	2025
BAN: Renewable Energy Project	Ban	\$200m	Project loan	2020	2025
BAN: LNG and Gas Transmission Pipeline Project	Ban	\$200m	Project loan	2020	2025
BAN: Southwest Distribution System Expansion Project	Ban	\$200m	Project loan	2020	2025





# Lending Pipeline, 2021



Project Name	Country	Value	Modality	Approval Date	Duration
SRI: Power System Reliability Strengthening Project	Sri Lanka	\$275m	Project loan	2021	2026
BAN: Energy Efficiency with Renewable Energy Project	Ban	\$125m	Project loan	2021	2026
BAN: Rural Electrification Expansion Project	Ban	\$330m	Project loan	2021	2026



# Nonlending Pipeline, 2019–2021



## 2019:

BAN: Preparing Renewable Energy Project: \$1.0M

## 2020:

BAN: Preparing Southwest Distribution System Expansion Project: \$0.5M

BAN: Preparing BAN Rural Electrification Expansion Project: \$0.5M

BAN: Enhancing Distribution Network and Capacity Dev. In the West Zone Area: \$0.5M

IND: Preparing Industry Energy Efficiency Project: \$0.5M

IND: Preparing Uttar Pradesh Power Transmission Project: \$1.5M

IND: Uttarakand Power: \$0.225M

NEP: Dudkhoshi 2: \$0.5M

SRI: Preparing the Distribution Automation and Metering Project: \$1.0M

*Note: Projects are indicative and timelines subject to change*



# Key Opportunities in South Asia Power Sector



## 51308-001 IND: Chennai-Kanyakumari Industrial Corridor Power Sector Investment Project

• 765 kV Transmission Lines (1) associated with Virudhunagar Substation	(Est.: US\$ 76 M)
• 400 kV Transmission Lines associated with Virudhunagar Substation	(Est.: US\$ 36 M)
• Ottapidaram 400kV Substation & 400 kV Transmission Lines associated with Ottapidram Substation	(Est.: US\$ 90 M)
• 765 kV Transmission Lines (2) associated with Virudhunagar Substation	(Est.: US\$ 73 M)



# Key Opportunities in South Asia Power Sector (continued)



## 51137-003 BAN: Dhaka and Western Zone Transmission Grid Expansion Project

• Kaliganj - Purbachal 400kV double circuit line and associated lines	Est: US\$36 M
• Satkhira-Rupsha 230 kV Double Circuit Line and associated lines	Est: US\$135 M



# ADB Website – Treasure Box of Business Opportunities



## **Short Term**

Procurement Notice

Consultant Management System (CMS)

## **Medium Term**

Project Description Pages

## **Long Term**

Pipeline Projects in Country Operational Business Plan (COBP)



**We look forward to doing business with you.**

Aiming Zhou

Principal Energy Specialist

SAEN

Email: [azhou@adb.org](mailto:azhou@adb.org)