

ADB

ADB's efforts to maximize access to energy

“Energy for All”



ADB's Experience - Need for a new Approach

Governments and Development organizations are strongly backing universal access to energy as a priority.

Technical barriers to universal access have fallen, but other challenges remain:

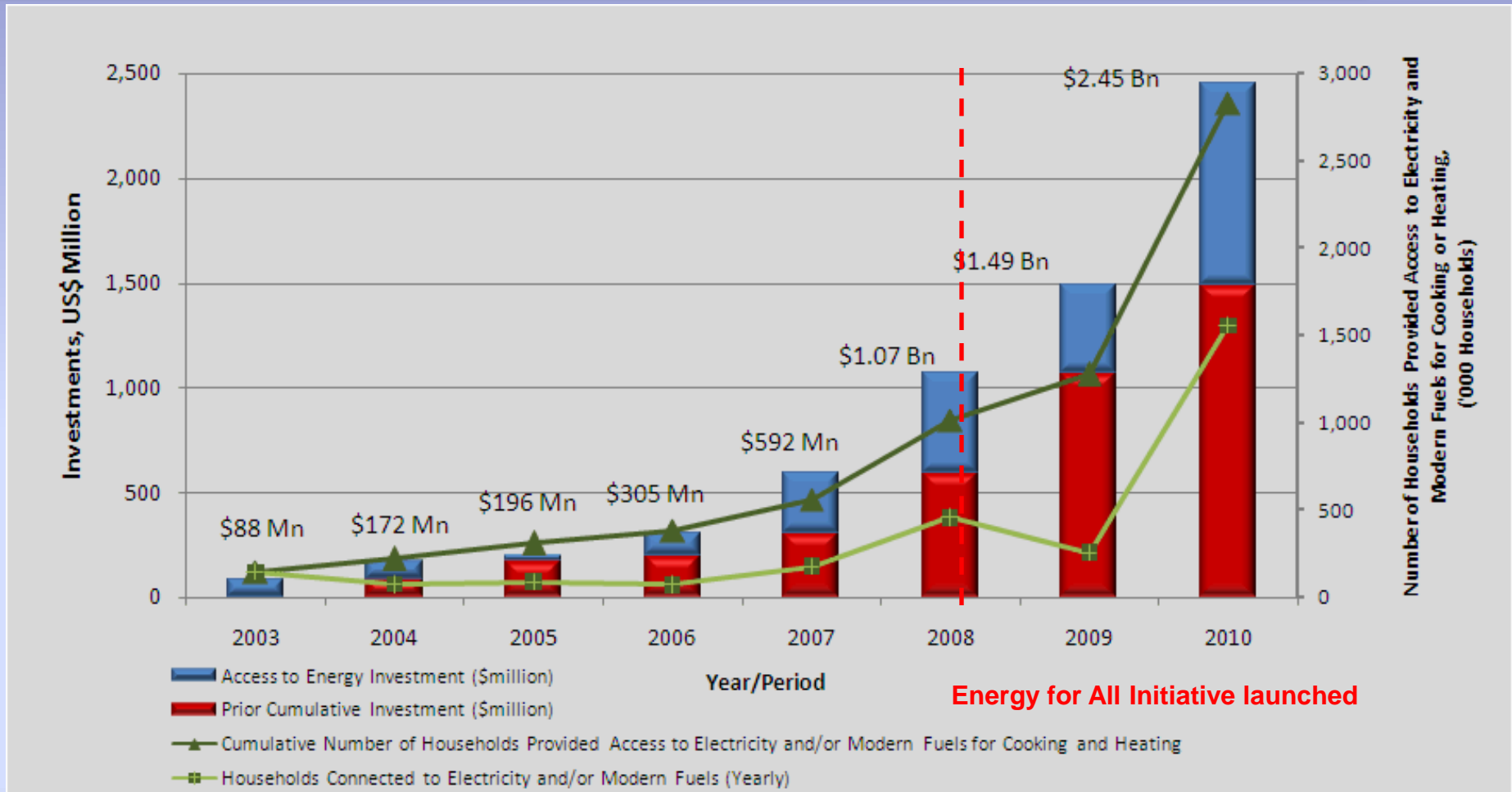
- **Government have been working on this since independence -> Still very low percentages**
- **Perhaps need to have a different approach that uses the creativity and innovation of the private sector**

What ADB is Doing

Access to Energy Financing has been difficult for ADB – it lacks volume and scale.

- **Focus needs to include lighting, cooking and heating energy sources to get higher attention**
- **Challenge in to also promote livelihood and economic productivity**
- **Development of financially viable business models for scaling up energy access and linking it with productive use of energy**
- **Expanding the role of small scale entrepreneurs**
- **Work with commercial banks and micro-finance institutions**

ADB Investment in Energy Access (2003-2010)



- 2010 has been the Initiative's most successful year so far, with \$955 million in access to energy investments. The projects supported by this level of investment will connect more than 1.5 million households to electricity and to modern fuels.

Sources of Funding for Access to Energy Projects

ADB's Internal Sources

- **Loans (public and private sector)**
- **Grants**
- **Technical Assistance**
- **Clean Energy Financing Partnership Facility (target: \$250 million)**
 - Increasing access to energy are among priority projects
 - Leverages additional investment for clean energy
- **Carbon Funds (\$151 million Asia Pacific Carbon Fund and \$115 million Future Carbon Fund for pre and post 2012)**

External Sources Accessible for ADB

- **Global Environment Facility**
- **Climate Investment Funds: Scaling up Renewable Energy Program for Low Income Countries (SREP)**
 - SREP finances the scaled-up deployment of renewable energy to increase access to energy for the poor
 - Out of 6, Maldives (up to \$30 million) and Nepal (up to \$40 million) were selected as SREP pilot countries in Asia (with the World Bank Group)
 - Currently around \$320 million has been pledged to SREP

Energy Access Projects: Biogas

- VIE: \$19 m loan component for biogas
- Line of credit to local banks to finance up to 40,000 systems
- Output-based subsidy for 20,000 households
- Scaling up existing program
- Replicating in Laos, Bhutan, Pakistan

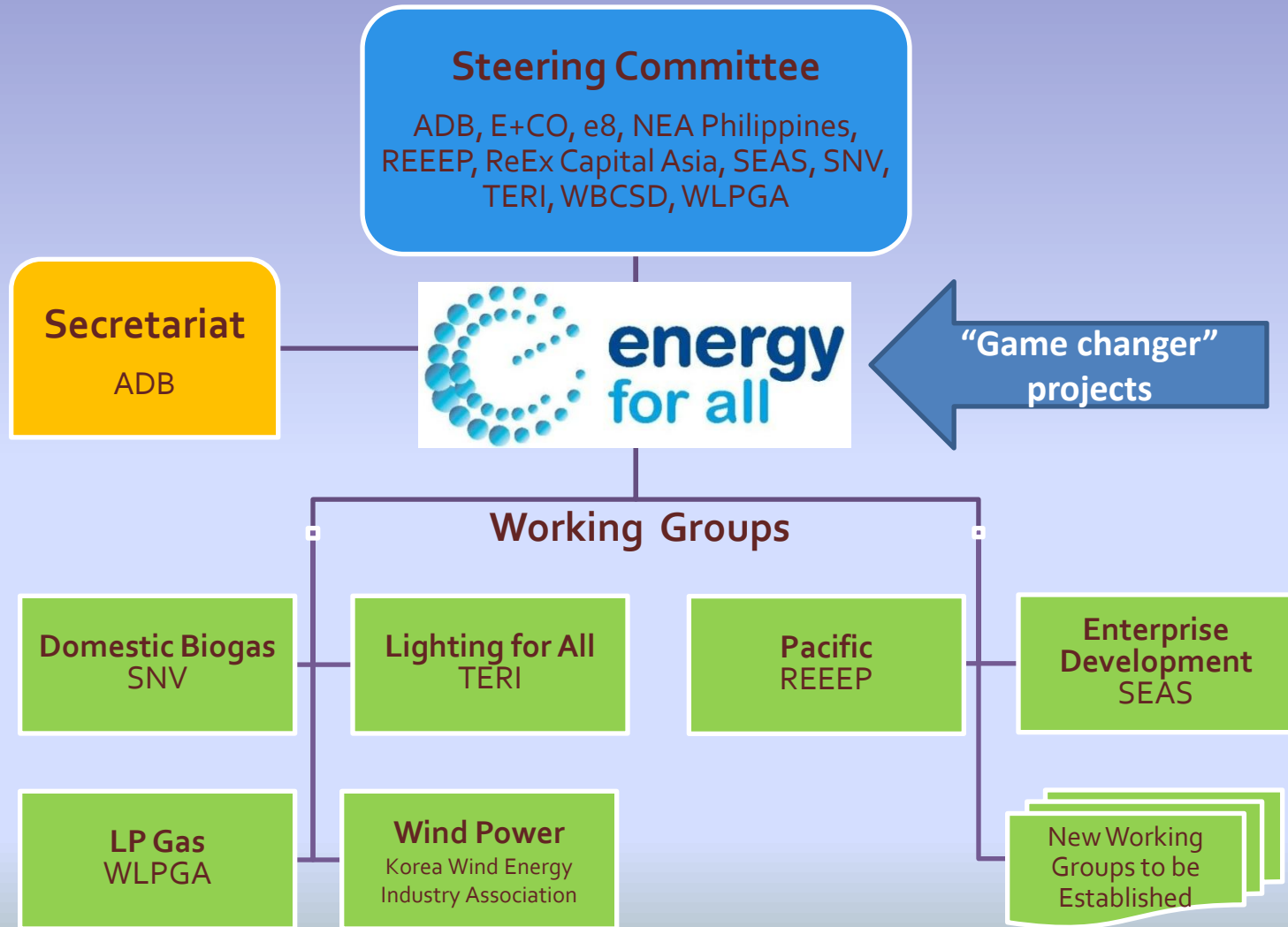


Energy Access Projects: LPG

- **Sungas LPG Project (Distribution Network)**
 - ADB is investing up to \$8 million for a 25 % stake in Sungas LLC.
 - Sungas will build LPG distribution centers in 6 Afghan cities.
 - 230,000 households will switch from solid fuels to LPG by 2019



Energy for All Partnership: a regional response



Objective: access to energy to 100 million people by 2015

Snapshot: Energy for All Partnership - Lighting for All

- “Lighting for All”

- working with TERI, other stakeholders to develop regional off-grid lighting platform under Energy for All Partnership
- focused on entrepreneurship, quality assurance, financing, policy advocacy, consumer awareness

- Projects on the ground in India, Cambodia, Indonesia, Philippines



Thank you

For more information:

- Energy for All Initiative <http://www.adb.org/Clean-Energy/energyforall-initiative.asp>
- Energy for All Partnership homepage <http://energyforall.info/>