

Enhancing Cost-Effective and Sustainable Power Supply
through Clean Energy
Public and Private Partnerships

Forum on Renewable Energy, PPP Center, 30 August 2019



About the Asian Development Bank



- A regional development bank established on 19 December 1966
- Committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific
- 68 country members from 49 regions; headquartered in Manila with 31 field offices
- Projected commitments (2019-2021) \$61.8 billion, of which \$51.7 billion sovereign and \$10.1 billion non-sovereign

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About ADB

ADB Strategy 2030

- Strong commitment to environmental and social sustainability
- Objective to scale climate finance to \$6 billion per year by 2020, of which \$4 billion will target mitigation and \$2 billion adaptation



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ADB Strategy 2030

ADB Energy Program

- During 2009 - 2018 period, energy sector amounted to \$40 billion or 25% of the total ADB portfolio
- \$9.4 billion (23%) were approved for Southeast Asia

Pillar



Promoting energy efficiency and renewable energy

Pillar



Maximising access to energy for all

Pillar



Promoting energy sector reform, capacity building, and governance

ADB Supported Renewable Energy in Philippines



- Rural Community-Based Renewable Energy Development in Mindanao
- Mini-grids (hybrid technologies)
Feasibilities for remote island
- Cobrador Solar PV Hybrid System
- Malalison Island Solar Hybrid / Pre-paid Metering System
- 150 MW Burgos Wind Farm Project
- Green bond investments (Tiwi and Makban Geothermal; AC Energy)

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Philippines

ADB Support Services for Public-Private Partnerships in the Energy Sector

Case Study: National Solar Park Cambodia



Key Concerns in Developing Solar Project

Key to a successful public-private partnership is risk sharing: Appropriate risk allocation among parties who are in best position to address the risk.

Public sector concerns:

- Private sector collaboration
- Least cost of delivered power in cents/kWh
- Managing the intermittency of renewable energy

Private sector concerns:

- Land acquisition, obtaining required permits
- Power grid strength
- Power purchase agreement, off-taker financial viability

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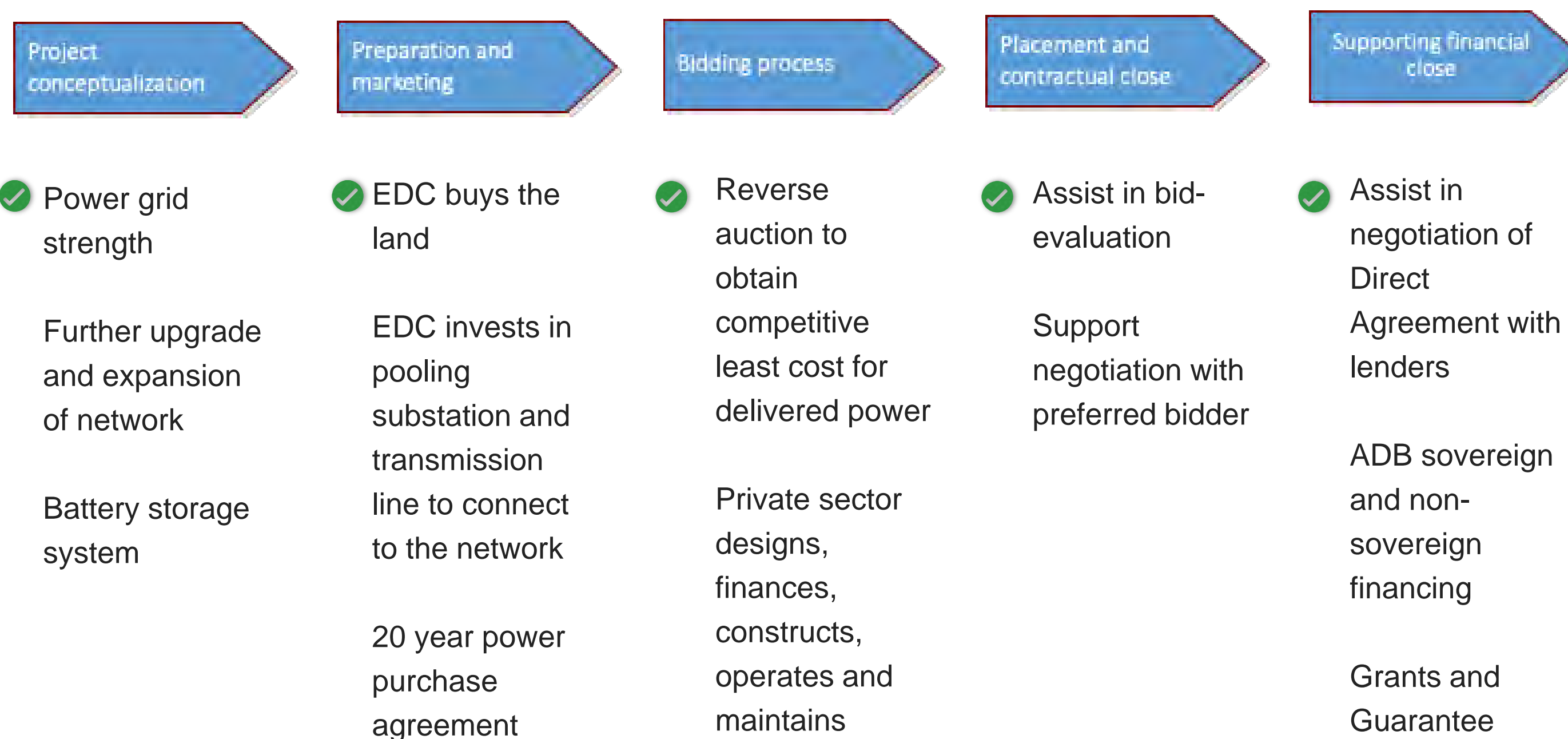
Key Concerns

ADB Scope of Support Services

ADB accompanies its clients during the whole cycle from concept to developing a bankable structure and until a private investor is selected.

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ADB Support

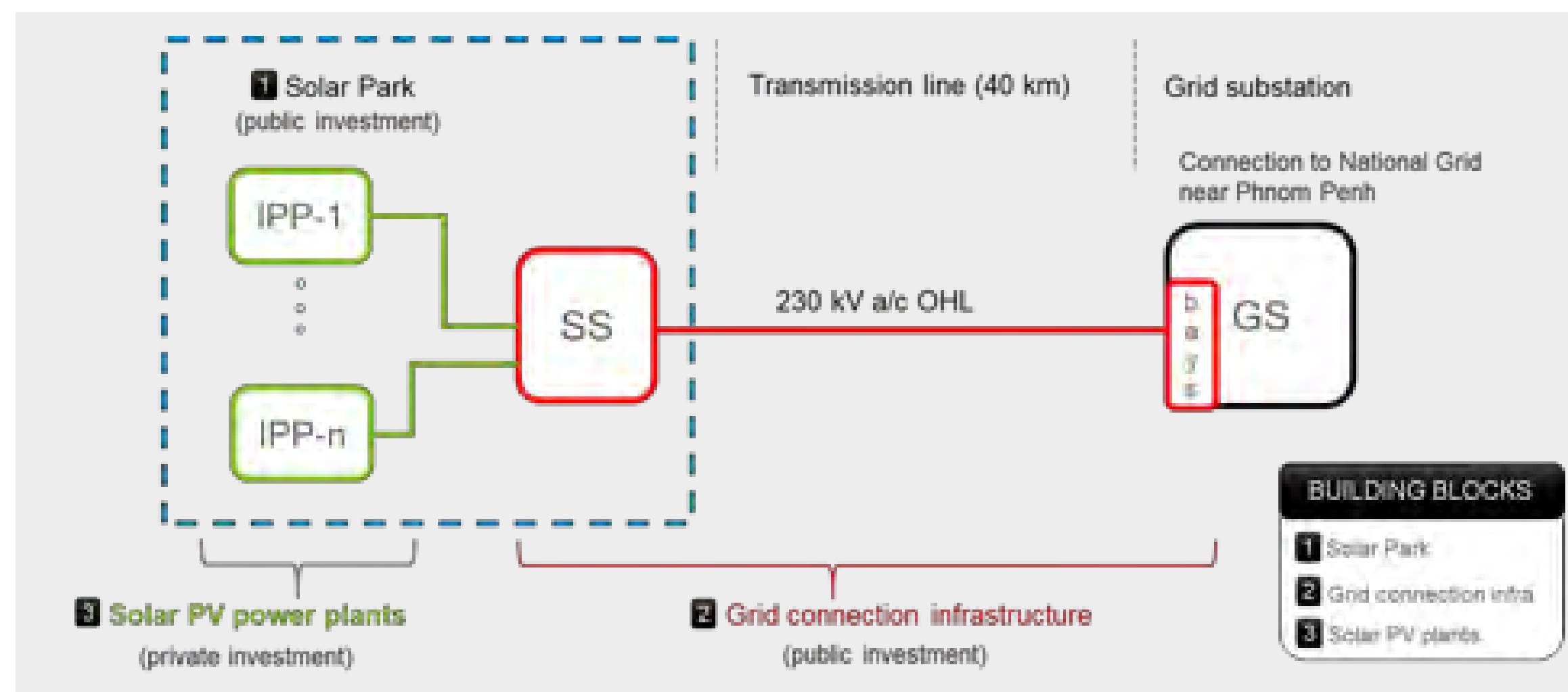


National Solar Park in Cambodia

- Support to EDC to build a 100 MW capacity national solar park and tender out a 60 MW (Phase 1) solar plant

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Cambodia Solar Park





Key Messages

- Renewable energy **lowers electricity costs** as it reduces dependency on diesel imports
- Renewable energy **contributes to sustainability** as it improves quality of life (air, noise, health)
- Renewable energy **enhances power reliability** as it complements other sources of power well
- LGUs and ECs are very important and can develop their indigenous renewable energy sources through public-public-private partnerships

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Key Messages



Renewable energy projects
that are well prepared in a transparent manner and supported by their public partners
will attract private parties

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