



GREEN FINANCE

ADB has committed to “environmental sustainability” in 50% of its projects by 2020.

PROBLEM

UNSUSTAINABLE USE OF RESOURCES AND OVERUSE OF THE PLANET'S BIOCAPACITY

Environmental impact

Rising °C/°F
Climate change insensitive growth



Floods



Storms



Drought



Rising sea levels



Social impact

Massive population growth



Increasing demand of goods and services

Economic trend

Rapid economic growth
Urbanization



Unsustainable use of resources

Natural capital resources eroded to a **tipping point**

SOLUTION

GREEN FINANCE

A massive and urgent “greening” of finance is needed: **increasing** financing for environmentally desirable activities, and **redirecting** existing flows away from environmentally damaging activities

GREEN BONDS

ADB has raised \$3.2 billion to help finance climate change projects with the issue of green bonds.



Green Financing Platform for Accelerated Air Quality Improvement in the Greater Beijing-Tianjin-Hubei region

- ✓ Loan of \$499.6 million, expected to leverage \$4.1 billion domestic commercial financing
- ✓ Introduce innovative financial instruments to mobilize private and social capital for green investments



Tiwi and MakBan Geothermal Power Green Bonds Project in the Philippines

- ✓ Issuance of \$225 million local currency bond, with assistance of \$37.7 million loan and partial credit guarantee in February 2016
- ✓ Refinancing of capital expenditure and ongoing operations and maintenance

GREEN INFRASTRUCTURE

ADB integrates climate change and cleaner technology into the planning and investments in infrastructure.



Solar Rooftop Investment Program in India

- ✓ \$330 million loan from ADB, \$170 million from ADB-administered Clean Technology Fund
- ✓ 11 million fewer tons of greenhouse gases emitted over the 25-year lifetime of solar rooftop systems



Sponge city in the People's Republic of China

- ✓ \$150 million loan to reduce flood risks and manage water resources
- ✓ Intelligently planned and protected urban green spaces are being introduced in 16 cities

GREEN FINANCE CATALYZING FACILITY (GFCF)

GFCF is proposed as a blended finance vehicle to be established at national or regional government levels.

a framework for an integrated Finance ++ approach



INNOVATIVE FINANCING



RESOURCE LEVERAGING



KNOWLEDGE COLLABORATION



GFCF



Practical and implementable tool

Applicable to the Asia and Pacific context, demands, priorities, and institutional capacities



Creating localized green finance solutions

Leverage public sector funds to catalyze private sector funds to risk mitigated green infrastructure projects



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