



Catalyzing Transition Finance (ADFIAP's Journey)

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ADFIAP briefly...

Association of Development Financing Institutions in Asia & the Pacific

90 MEMBER-BANKS
40 COUNTRIES & TERRITORIES

FOUNDED **1976**

**DURING the 6th ADB
conference for DFIs**

**FOUNDING
MEMBER**



NGO



**SECRETARIAT in
MANILA, Philippines**

MISSION



To advance sustainable development by strengthening the development finance function and institutions, enhancing capacity of members and its human resources, and advocating development finance innovations

OUR ADVOCACIES

Contribute to the achievement of the Sustainable Development Goals (SDGs) through:



Sustainable / Green Finance

Financial Inclusion

Blended Finance

Infrastructure Finance

mSME Finance

ADFIAP SUSTAINABLE DEVELOPMENT AWARDS

Category 1: Human Capital Development

Category 2: Environmental Development

Category 3: SME Development

Category 4: Infrastructure Development

Category 5: Technology Development

Category 6: Trade Development

Category 7: Local Economic Development

Category 8: Financial Inclusion

Category 9: Corporate Governance

Category 10: Corporate Social Responsibility

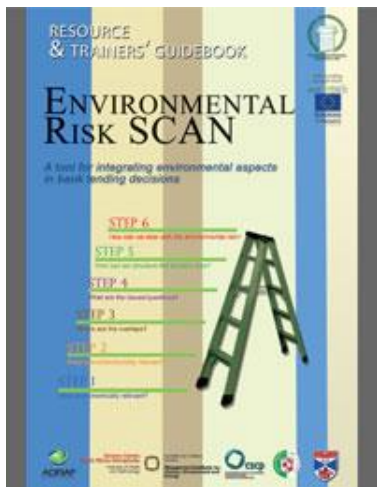


Environmental Development

An undertaking that has involved the member and/or its clients in minimizing or eradicating environmental risks and/or in promoting environmental due diligence and management practices in their respective institution and/or client operations.

This resource book focuses on environmental risks, among other risks that a bank is confronted with in its lending decisions

How do banks consider environmental aspects in lending decisions?



- Environmental or Sustainability Ratings can have different explanatory powers and it is important to find out what the content of a rating is supposed to be.
- Ratings can for example be used to answer the following questions
 - How green or sustainable is the company?*
 - How likely is it that a collateral is contaminated?*
 - How likely is it that a company will not be able to meet its financial obligations due to environmental reasons?*

BANGLADESH



Clean Development Mechanism (CDM) project named
“Improving Kiln Efficiency in the Brick Making Industry in
Bangladesh

Project’s Immediate Impact Area

- GHG emission reduction by introducing energy efficient technology in brick industry.

DEVELOPMENTAL OBJECTIVES

Environmental:

Reducing the use of coal-burning, decreases particulate & GHG emissions and use of valuable mineral resources significantly.

Technological:

By producing approximately 90 million high quality bricks annually, this project minimizes wastage and reduces the need for steel and cement during construction.

Economic:

This project has replaced energy inefficient process and helped to modernize the brick industry which accounts for estimated 1% of Bangladesh GDP

PHILIPPINES



The LANDBANK REAL Energy Financing Program is an innovative lending Program designed to support the UNDP's SDGs by ensuring access to affordable, reliable, sustainable, and modern energy, helping mitigate the effects of climate change

The LANDBANK REAL Energy Financing Program aims to support eligible borrowers to finance the development of renewable energy sources and increase access to reliable, clean and sustainable power to help mitigate the effects of climate change to the country.



- Further promote and encourage the development of renewable energy resources and adoption of energy efficient technologies and solutions for reliable, clean and sustainable power sources; and
- Provide financing to large power consumers to adopt energy efficient solutions that will translate to lower electricity consumption and generate savings on power cost.



Financing Utilities for Sustainable Energy Development (FUSED)

- Increase in electricity exported to the grid
- Potential additional/existing connections generated/supported
- Carbon dioxide emissions avoided
- Volume of fossil fuel avoided

*The FUSED Program is expected to invest Php 40B (USD 833M) of the requirement for power generation and distribution in the Philippine Energy Plan 2012-2030.

MONGOLIA



Renovation and Electrification of Public Transport

Renovation and electrification of public transport project is a pioneer project within the business of introduction of electric buses in Mongolia, demonstrating significant environmental and economic benefits.

- The project is of high significance as it enables use of electric buses in Ulaanbaatar city
- Reduced air pollution and traffic congestion in the city
- Align with international standards of safety, convenience and efficiency.



Sustainable Energy Financing Facility

- To adopt sustainable energy technology in place of fossil fuel for the generation of electricity.
 - To encourage the development of locally owned sustainable energy projects for the wider benefit of business enterprise, community and the environment.
- * For hydro, solar, wind, biomass, biogas, wave, tide, and geothermal systems.

JAPAN



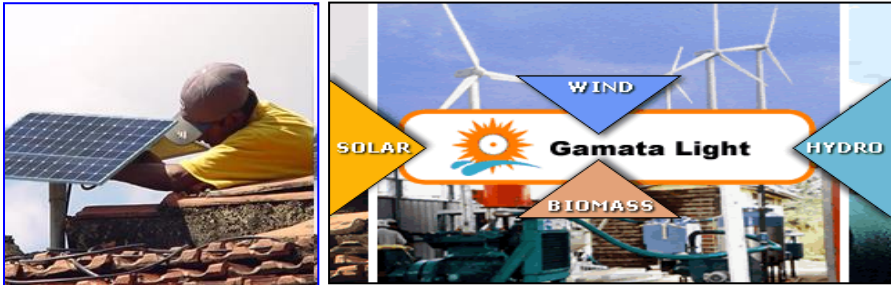
7th Sustainability Bond (USD 520M)

- SRI bond issuance for seven consecutive fiscal years, contributing to the development of the market.
- In line with its "*Design the Future with Financial Expertise*" philosophy to support projects with high environmental and social awareness.

SRI LANKA

Renewable Energy for Rural Economic Development (RERED)

DFCC Bank partnered with Commercial Bank of Ceylon and Hatton National Bank as co-financiers, and with the European Investment Bank.



10 MW solar power plant
Buruthankanda, Hambantota

DFCC Bank of Sri Lanka



MALAYSIA

What Sector Can Be Funded ?



Here's the Big Reason to Go Green

Top 10 Active Financial Institutions

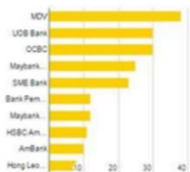


Approved OT for Financing (RM): 2,363,428,419

Balance of OT for Financing (RM): 538,571,581

Total GTFS Fund Allocated to the Scheme

RM 1,500,000,000



GTFS Project Financed

Total Active Financial Institution for GTFS

25 Financial Institutions

[View all active financial institution for GTFS >](#)

Financing Offer & Eligibility

FOR USERS



FOR LOANS OF UP TO RM10 MILLION

- Projects must be located within Malaysia, utilizing local and imported technology.
- Financing Tenure: Up to 10 years.
- Eligibility Criteria: Legally registered Malaysian-owned companies (at least 70%) in all economic sectors.

FOR PRODUCERS



FOR LOANS OF UP TO RM100 MILLION

- Projects must be located within Malaysia, utilizing local and imported technology.
- Financing Tenure: Up to 10 years.
- Eligibility Criteria: Legally registered Malaysian-owned companies (at least 51%) in all economic sectors.

List of Participating Financial Institution



[View more Participating Financial Institution >](#)

- **Green Technology Financing Scheme (GTFS):**
Investments in green technology, a sector that is envisaged to be one of Malaysia's emerging drivers of economic growth. For products, equipment, or systems which:
 - ✓ minimizes degradation of the environment
 - ✓ has zero or low green house gas (GHG) emission
 - ✓ is safe for use and promotes healthy and improved environment for all forms of life
 - ✓ conserves the use of energy and natural resources
 - ✓ promotes the use of renewable resources

CHINA



**Zhangjiakou Onshore
Wind Farm, Hebei**

Total investment: RMB 3,574 M



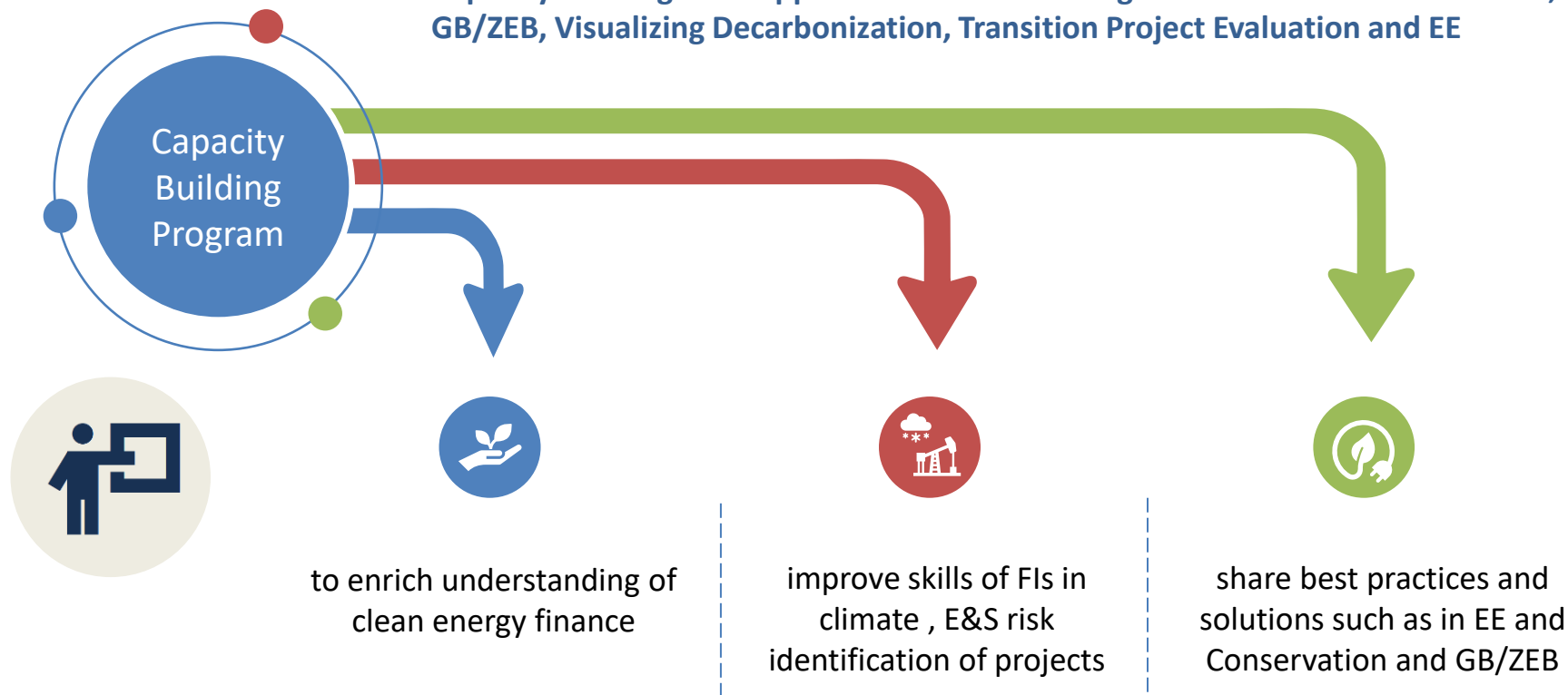
**50 MW Hongsibu Photovoltaic
Power Plant, Ningxia**

Total investment: RMB 1,196 M

China Development Bank

CEFIA-ADFIAP COLLABORATION

Capacity building was supplemented with training videos on: Transition Finance, GB/ZEB, Visualizing Decarbonization, Transition Project Evaluation and EE

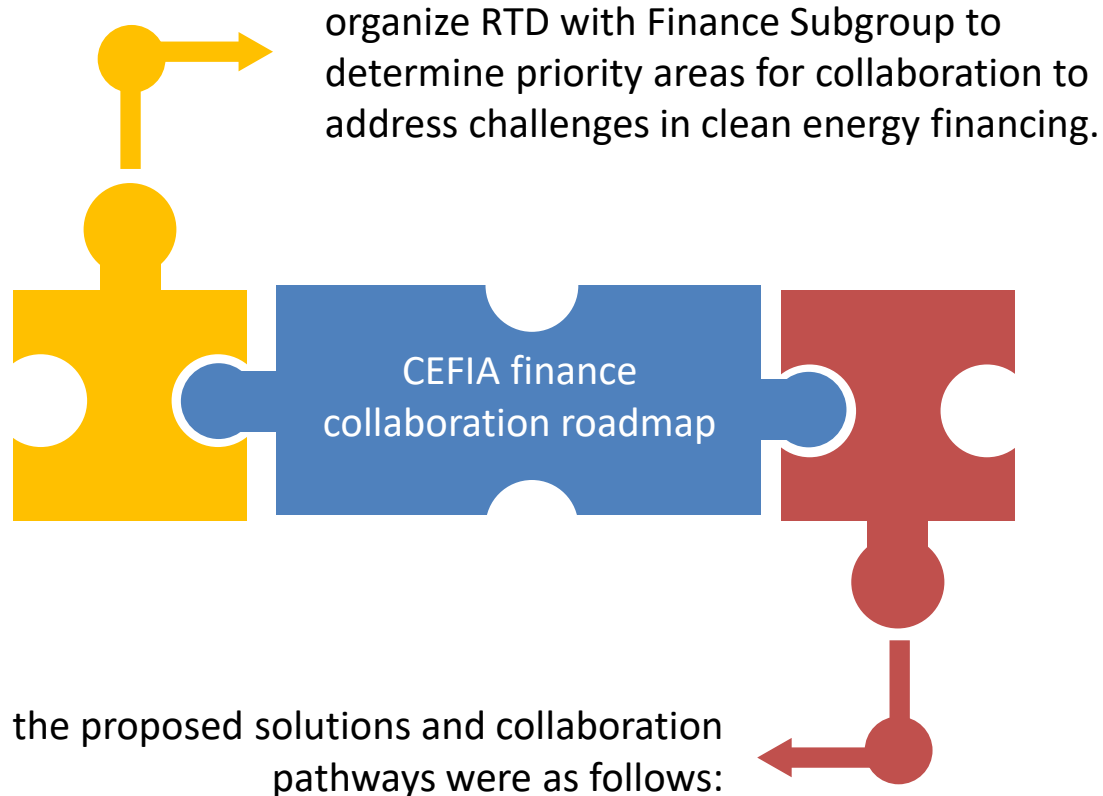


FINANCING ENERGY TRANSITION PATHWAYS

- Enriched the understanding and capacities of the participants across sectors in identifying and financing transition projects and broadened their knowledge on financial programs and products.
- A total of 212 participants attended the WEBINAR representing over 120 organization across various sectors as follows:



CEFIA FINANCE COLLABORATION ROADMAP



PROPOSED SOLUTIONS AND MAJOR COLLABORATION PATHWAYS

Building Capacities

- Conduct training for local FIs on priority technical areas

Access to data and information

- Establish platform for sharing on best practices
- Establish database and linkages to suppliers, technology providers, etc.

Institutional Support

- Support the development of low carbon strategies of companies
- Develop guidelines/guidebook on technical project evaluation and reporting tools and applications

Implementation of pilot projects

- Support flagship projects

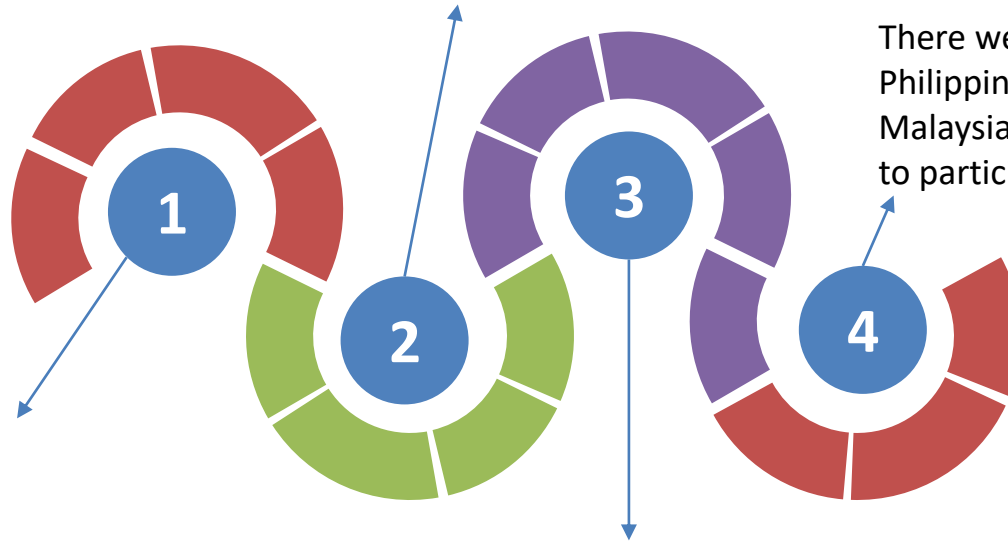
Enhance financing mechanisms

- Identify and establish clean energy financing facilities
- Establish database of successful financing mechanisms

TRANSITION FINANCE ACCELERATION LABORATORY (TFAL)

TFAL will build the capacities of the participants to enable them to design, develop and pilot transition financing programs that support the achievement of the global net-zero goals and national commitments

is a virtual capacity building laboratory aimed at accelerating financing of Zero Energy Buildings (ZEB)/green buildings (GB)/energy efficient buildings (EEB) by helping selected financial institutions finance low emission and resilient development projects.



There were 3 banks, 1 in the Philippines and 2 banks in Malaysia who expressed interest to participate in the laboratory.

TFAL will provide technical advisory and support services to the participants through mentoring and access to relevant subject matter experts



Thank you!

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