



# PRIVATE SECTOR OPERATIONS IN 2024

REPORT ON DEVELOPMENT EFFECTIVENESS



# **PRIVATE SECTOR OPERATIONS IN 2024**

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ISBN 978-92-9277-305-2 (print); 978-92-9277-306-9 (PDF)  
Publication Stock No. TCS250165-2  
DOI: <http://dx.doi.org/10.22617/TCS250165-2>

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Notes:

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Cover design and infographics by Nonie Villanueva. All photos are from ADB unless otherwise indicated.

Cover photos represent sectors for which ADB has committed financing in 2024, including agribusiness, energy, finance, education, transport and water and other urban infrastructure and services.



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# FOREWORD



**BHARGAV DASGUPTA**

*Vice-President (Market Solutions)*

*Asian Development Bank*

Asia and the Pacific experienced promising advancements in economic growth and a reduction in inflation in 2024. However, the region continues to grapple with environmental challenges and geopolitical tensions. The fragile fiscal situations of many developing member countries have been exacerbated by global trade issues, underscoring the importance of a nimble private sector to bridge funding gaps and spearhead transformative change in the region.

The Asian Development Bank (ADB) completed a midterm review of its corporate operations plan, Strategy 2030, during the year, which highlighted the need for ADB to deepen its engagement with the private sector to drive development and innovation. The review sets a target for private sector financing of \$13 billion by 2030, including mobilizing \$4.5 billion in direct private capital, a more than threefold increase to the current baseline.

The 2024 performance of the Private Sector Operations Department (PSOD) demonstrates ADB's commitment to reaching its ambition, with a 50% increase in capital mobilized compared to 2023 and higher levels of long-term private sector cofinancing. Over the course of the year, PSOD worked to develop a new operational plan to deliver the targets set in the midterm review for greater development impact.

Through our regular client surveys, we have heard that private sector clients appreciate our solution-oriented responsiveness and expertise. We continue to seek ways to further improve on this, including greater presence on the ground and enhanced efficiency, so that we remain the region's trusted development partner.

Many countries in our region have underdeveloped capital markets and face barriers to private investment so PSOD continues to sharpen its focus in channeling resources to remove barriers, drive innovative solutions, and spur further development of markets. To achieve this, we are deepening our coordinated approach, leveraging advisory services, technical assistance, policy support, and financing solutions. ADB's commitment to the private sector shift involves pooling expertise, enhancing feedback loops, strengthening the private sector perspective, and working across the bank to deliver unified solutions that unlock impactful private capital at scale.

As we navigate an evolving policy landscape and economic risks, we seek to be agile, innovative, and responsive to meet the changing demands of our region. Building on the strong performance in 2024, we are committed to continuing to unlock private sector capital at scale to deliver impactful solutions. Together, we can make it happen.

# PREFACE



**CATHY MARSH**

*Deputy Director General and Officer-in-Charge  
Private Sector Operations Department  
Asian Development Bank*

The Private Sector Operations Department (PSOD) had an outstanding year in 2024, highlighted by a record volume of transactions for projects and programs. Among many groundbreaking investments was an aviation fuel project in Pakistan—the first private sector-led sustainable aviation fuel initiative in the Asia and Pacific region—that will produce a sustainable aviation fuel facility to sharply reduce greenhouse gas emissions. In the energy sector, the Asian Development Bank (ADB) led financing for a battery energy storage systems project in Thailand that will develop a large-scale solar integrated battery energy storage system that has potential for replication.

Promoting greater financial inclusion for underserved groups, including women, was another feature of operations in 2024. ADB made its first private sector loan to the finance sector in Thailand that provided access to finance to rural women, and an agribusiness project targeting micro, small, and medium-sized enterprises, which won the Best Social Loan of the Year award from *The Asset*, a leading financial publication in Asia. In agriculture, ADB provided a \$100 million loan for a coffee value chain project that will benefit 62,000 farmers across India, Indonesia, Papua New Guinea, and Viet Nam. The year also saw ADB's largest private sector transaction in the education sector to date, which supported the development of a resilient and resource-efficient campus in the People's Republic of China. Trade and supply chain operations had another productive year with guarantees and loans provided for over 27,600 transactions worth \$4.9 billion. One notable trade transaction supported the import of the first robot-assisted surgical system from the People's Republic of China to a hospital in Georgia, contributing to improved surgical outcomes and patient recovery.

PSOD operations used innovative financing structures to reduce risk and make projects bankable. Investments in green and sustainability-linked financing instruments enabled PSOD to advance its development mandate. These achievements could not have been done without substantial support from cofinanciers and other partners who help maximize the development effectiveness of our work.

PSOD, together with its stakeholders and partners, will remain focused on the goals of Strategy 2030. The lessons, innovations, and best practices will serve as a valuable resource for our clients and stakeholders, reinforcing our commitment to development across the region.



# ACKNOWLEDGMENTS

**T**he 2024 edition of the series is highlighted by a significant increase in both the number of projects and volume of transactions by the Private Sector Operations Department (PSOD), as it responded to the goal of the Asian Development Bank (ADB) to have the private sector play a greater role in tackling pressing development issues in Asia and the Pacific. The report was put together by a team from the Office of the Director General (OPSD), with contributions from PSOD's divisions and units. Overall guidance was provided by Cathy Marsh, deputy director general and officer-in-charge, and Craig Roberts, senior advisor.

Valuable inputs were received from Mayank Choudhary, director, Infrastructure Finance Division 1 (Central and West Asia and South Asia); Daniel Wiedmer, director, Infrastructure Finance Division 2 (East Asia, Southeast Asia and the Pacific); Asif Cheema, director, Financial Institutions Division (PSFI); Janette Hall, director, Investment Funds and Special Initiatives Division; Steven Beck, director, Trade and Supply Chain Division; Martin Lemoine, unit head, Agribusiness Investment Team; Aniruddha Patil, unit head, Social Sectors Team; and Marife Apilado, director, Portfolio Management Division.

Review and comments from Bart Raemaekers, advisor and head, Guarantees and Syndications Unit; Joseph Bergin, advisor and head, Equity Investments Unit; Mischa Lentz, principal investment specialist (climate finance), OPSD; and Anshukant Taneja, program lead, Microfinance Program are greatly appreciated. Ian Bryson, principal operations coordination specialist, OPSD; Sabine Spohn, principal investment specialist, PSFI; Elizabeth Fiona Alpe, principal transaction support specialist (integrity), OPSD; Jussi Ahonen, ADB Ventures; and Dominic Patrick Mellor, ADB Frontier also made valuable suggestions.

The report was drafted and coordinated by Michael Barker, Kavita Sherchan, and Mikaela Amihan Arrosa. Ulritz Uzein Corcuera and Cherriemae Bejo led the technical research, data analysis and validation, and overall data management of key development metrics. Mariel Gabriel and Ma. Theresa Mercado edited the report. Joe Mark Ganaban did the layout and typesetting, and Jose Gamboa coordinated the design of the cover and infographics. Jillian Christelle Mae Aceveda provided excellent support together with Layla Yasmin Amar, Lawrence Casiraya, and Nonie Villanueva.

Louie Anthony Correa, Ma. Amora Cruz Manabat, Rosarie Celine De Leon, and Danica Vega provided essential data on commitments, portfolio, and cofinancing. Rodel Bautista, Ma. Katrina Fernando, April-Marie Gallega, Keech Hidalgo, Anna Katherine Sherwood, and Anthony Victoria provided timely publication support.

We would like to thank PSOD's corporate clients profiled in this report for providing data and the ADB Multimedia Library team for making photos available. We would also like to acknowledge the Department of Communications and Knowledge Management for the publication of the report, and the Corporate Services Department for printing services.

## **JAMIE KHO**

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# ABBREVIATIONS

ADB	Asian Development Bank
PRC	People's Republic of China
COVID-19	coronavirus disease
DFI	development finance institution
DMC	developing member country
EVCS	electric vehicle charging station
EV	electric vehicle
GHG	greenhouse gas
GWh	gigawatt-hour
gWFX	Women's Finance Exchange
kV	kilovolt
MDB	multilateral development bank
MFI	microfinance institution
MFP	Microfinance Program
MSMEs	micro, small, and medium-sized enterprises
MW	megawatt
MWh	megawatt-hour
NBFI	nonbank financial institution
PSOD	Private Sector Operations Department
SAF	sustainable aviation fuel
SMEs	small and medium-sized enterprises
tCO <sub>2</sub> e	ton of carbon dioxide equivalent
TSCFP	Trade and Supply Chain Finance Program
WSMEs	women-led/owned small and medium-sized enterprises





# EXECUTIVE SUMMARY

**T**he Asian Development Bank (ADB) private sector operations support the bank's vision of a prosperous, inclusive, resilient, and sustainable Asia and the Pacific by assisting businesses in contributing to those goals and leveraging private capital to support ADB's development mandate. In 2024, ADB released an update to its corporate strategic framework, Strategy 2030, reviewing progress, identifying areas for improvement, and outlining a path for its evolution, with a focus on private sector development.

## Projects—Strategic Focus and Priority Areas

The year saw a record number of committed projects, with investments assisted by multiple cofinancing partners. Transactions included a landmark project to convert waste oils into sustainable aviation fuel in Pakistan, the first private sector-led sustainable aviation fuel initiative in Asia and the Pacific; and Central Asia's first utility-scale battery energy storage renewable power facility in Uzbekistan. There was also a shift to sustainability in major industries in Bangladesh and India; and sustainable transport projects in India, Indonesia, the Philippines, and Thailand.

Green and sustainability-linked bonds were another feature of private sector operations with ADB, subscribing to issuances by businesses in Armenia, Georgia, India, and Mongolia. These included the largest private sector green bond issuance in Georgia that will finance a major rehabilitation of the water supply network in the capital, Tbilisi. Along with the use of these debt instruments, a number of projects incorporated innovative financing structures to enhance their effectiveness and reduce risks. That included a housing investment in the Philippines, which is ADB's first private sector infrastructure project to use a revolving credit facility, and a rooftop solar power investment in Bangladesh with a new financing structure that funds multiple rooftop subprojects within a single portfolio.

Financial inclusion, food security, and sustainable agricultural development were major themes in 2024. This was demonstrated by ADB's first private sector transaction in the finance sector in Fiji and a first-time investment in an energy-efficient flour milling facility in Bangladesh, which contributes to food security while reducing carbon emissions. ADB also extended assistance to education service providers in Mongolia and the People's Republic of China for operational upgrades, which include the construction of the first internationally certified environment-friendly campus in Mongolia. In other sectors, ADB invested in the first garment factory in Bangladesh using energy-efficient equipment.

Projects in frontier markets, which include economies in fragile and conflict-affected situations and small island developing states, made up almost a third of the total with commitments in Bangladesh, Fiji, Mongolia, Pakistan, and Uzbekistan, along with several region-wide investments. ADB made its first transactions from the ADB Frontier platform in 2024, extending technical assistance to a saltwater prawn producer in Fiji and financing seven other businesses. ADB Frontier, with seed programs covering the Mekong and Pacific regions, invests in small and medium-sized enterprises (SMEs) in frontier markets that have potential to generate growth and employment and support climate resilience and empowerment of women.

Investments in private equity funds, which support ADB's development mandate by providing capital to corporates engaged in activities promoting economic growth, environmental sustainability, financial inclusion, infrastructure development and innovation, reached a record high in 2024. That included equity injections in a regional private equity management company, which is the first to formally incorporate environmental considerations into its operations, and an investment in a fund specifically dedicated to companies committed to low-carbon development. Another prominent feature was the incorporation of a gender lens in fund operations.

## Results Expected from Projects Committed

PSOD measures the development impacts and effectiveness of its operations through the achievement of results targets, which are linked to the operational priorities of Strategy 2030 and the United Nations Sustainable Development Goals. Projects committed are expected to create 16,783 jobs, including 2,553 for women, while providing training for 164,475 people, with 104,070 of them female. Finance sector transactions, which are focused on assisting micro, small, and medium-sized enterprises (MSMEs), particularly those owned by women, are projected to benefit 1 million enterprises, with over 203,000 of them female-owned.

In agribusiness, investments are projected to reach 6,411 farmers, while transport investments will benefit 48.1 million passengers. Projects in the water and other urban infrastructure and services sector will finance construction and improvements for 13,280 affordable, environment-friendly homes. For 2024, private sector projects are expected to deliver 8,694 gigawatt-hours of power annually, avoid annual greenhouse gas emissions of 10 million tons of carbon dioxide equivalent (tCO<sub>2</sub>e) per year, produce 201,800 electric vehicles (EVs), and install 1,788 EV charging facilities.

## Results Delivered by Projects in the Portfolio

The PSOD portfolio of active projects details total project commitments as well as sector contributions, and at the end of 2024, amounted to \$13 billion, up 10.1% from the 2023 level of \$11.8 billion, reversing declines seen since 2021.

Projects supporting financial institutions comprised the largest portion of the portfolio, with these transactions delivering assistance to 44.3 million MSMEs, of which 42.3 million are female-owned. Investments in the next largest sector, energy, have delivered 70,208 gigawatt-hours of electricity a year and provided access to a power supply to 1.1 million households, while operations promoting sustainable practices in businesses and industries have helped avoid greenhouse gas emissions of 23.5 million tCO<sub>2</sub>e a year.

Other major sector contributions have come from agribusiness—with projects assisting 8.7 million farmers and producing 894,915 tons of food—and from transport with investments producing 8,275 EVs and installing 3,095 EV charging stations. In the social sectors, education projects have benefited 78,026 students and health transactions have reached 5 million patients. In information and communication technology, projects have reached 827,895 subscribers.

## Programs and Initiatives

PSOD's Trade and Supply Chain Finance Program (TSCFP) executed 27,631 transactions worth \$4.9 billion in 2024, including \$2 billion in ADB financing and \$2.9 billion in cofinancing. This helped about 13,500 SMEs expand operations. More than 20% of the transactions supported food and agricultural commodities. Of TSCFP's total business volumes, \$2.7 billion supported intraregional transactions, while \$500 million supported transactions between developing member countries. The TSCFP continued to advance measures to make trade and supply chains more sustainable, resilient, inclusive, transparent, and socially responsible, with initiatives to extend supply chain financing to lowest-tier suppliers, digitalize trade documents, boost inclusion of people with disabilities in trade transactions, combat money laundering, and track carbon emissions along supply chains. The Microfinance Program, which promotes lending to underserved and vulnerable groups, committed a record \$533 million in 2024, benefiting over 900,000 people, most of them women microborrowers.

ADB's venture capital investment facility under PSOD, which supports early-stage businesses providing technology-based solutions to development challenges, expanded its portfolio with investments in four new companies, including two providers of electric mobility services, a climate parametric insurance platform, and a business developing soil stabilizers that support eco-friendly brickmaking and construction materials.

A new financing platform, ADB Frontier, set up to fund growing SMEs, known as “gazelles,” established SEED programs for the Pacific and Mekong regions in 2024. It made four investments in Fiji and Cambodia over the year, and provided technical assistance to another four companies during the platform's project preparation phase.

PSOD's initiative, the Women's Finance Exchange, assisted financial institutions to deliver financing solutions to women-owned businesses by building their capacity through trainings and sharing of knowledge and innovative technologies. During the year, the Women's Finance Exchange assisted women's businesses in 11 countries. It supported the digitalization of loan applications by SMEs and automation of sex-disaggregated data collected in Fiji, and the piloting of a technology solution for credit scoring for women entrepreneurs in Nepal. It also organized and engaged in knowledge events, released publications, and provided training to existing and potential future financial partners.

### **Mobilization and Partnerships**

Cofinancing from a wide variety of partners, both concessional and commercial, acts as a force multiplier for private sector operations, making them financially stronger while boosting their development impacts. In 2024, cofinancing commitments for both projects and programs reached \$6.6 billion, with long-term cofinancing of \$3.6 billion. Much of the focus was on sustainability-related transactions, including development of Southeast Asia's first large-scale solar battery energy storage system in Thailand. Cofinancing included parallel finance, with one parallel fund investment, official assistance, commercial loans, guarantees, and risk transfers, with 12 projects receiving blended finance solutions, which offer a mix of concessional and commercial funding along with ADB resources to mitigate risks, reduce costs for borrowers, and make projects bankable.

Partnerships are integral to the success of private sector operations, and PSOD engages with a wide range of partners—harnessing their expertise, innovation, and resources. In 2024, PSOD signed six memorandums of understanding, a collaboration plan, and eight trade and supply chain-related agreements to support sustainable, inclusive, and resilient growth across Asia and the Pacific. It organized knowledge-sharing events—with five held during ADB's 57th Annual Meeting—and hosted the 12th Annual MDBs Heads of Syndications meeting, which discussed market developments and best practices for mobilizing finance. PSOD took part in and hosted roundtable discussions in Austria and Viet Nam, and hosted receptions for partners in Singapore, the Philippines, and the United States.

### **Alignment with and Contributions to Strategy 2030**

PSOD's Operational Plan for 2019–2024, which guides its work, is fully aligned with seven operational priorities under ADB's Strategy 2030. Over the course of the operational plan period, projects to address remaining poverty and reduce inequalities decreased from 97% of total committed projects in 2019 to 66% in 2024. Transactions focused on accelerating women's empowerment and equality grew from 82% in 2019 to 100% by 2024, while those tackling climate challenges grew from 39% in 2019 to 88% in 2024. Operations to make cities more livable, inclusive, and sustainable rose from 16% in 2019 to 26% in 2024, and those promoting rural development and food security decreased from 37% to 19% in 2024. Projects contributing to strengthened corporate governance and institutional capacity increased from 3% in 2019 to 7% in 2024, while those fostering regional cooperation and integration ranged from 18% in 2019 to a high of 23% in 2021, before dropping back to 3% in 2024.

### **Enhancing Development Effectiveness**

PSOD monitors and measures the development effectiveness of its work, with the goal of ensuring its operations are delivering their intended results and are fully aligned with ADB's corporate priorities. In 2024, the percentage of projects in the active portfolio assessed as at risk of not achieving their intended development results fell to 11% from 17% in 2023, marking the lowest level in 4 years.

Extended annual review reports enable PSOD to evaluate the development results of its completed transactions, and in 2024 ratings for 36 completed transactions approved during 2008 to 2021 showed 31 were successful, 1 was highly successful, 3 were less than successful, and 1 was unsuccessful.

### **Inclusive Business**

ADB's private sector operations support inclusive business development by collaborating and leveraging their potential for reducing poverty and addressing inequality. PSOD inclusive business commitments reached \$464 million in 2024, up 41% from the year earlier. These included a project in India that will deliver improved cookstoves and promote resilience, along with agribusiness and finance sector investments supporting farmers and MSMEs, with a strong focus on women. PSOD also released a special publication in 2024, detailing how inclusive business initiatives have successfully integrated low-income groups into commercial markets.

### **Leveraging Thought Leadership**

Knowledge-sharing events, which help drive discussion on key development issues and promote collaboration, were a prominent feature of PSOD operations in 2024. These included five events held during the 57th Annual Meeting of ADB's Board of Governors and two at the 29th United Nations Climate Change Conference in Baku, Azerbaijan. In addition, PSOD co-organized a private sector investment forum in Ulaanbaatar with Mongolia's Ministry of Economy and Development and collaborated with the United Nations Environment Programme on a seminar that explored challenges to the transition to a sustainable economy. PSOD also released 11 publications during the year, which provide insights and knowledge into a wide range of topics including trade and supply chain issues, and financial inclusion.





# INTRODUCTION

**Staff at the Muara Laboh  
Geothermal Power  
Project site in Indonesia.**

This project promotes sustainable development by utilizing the nation's geothermal resources.

**T**his is the 15th edition of the annual *Private Sector Operations Report on Development Effectiveness*. This report outlines the measurable development impacts expected from the commitments the private sector operations of the Asian Development Bank (ADB) made in 2024 and highlights achievements and development impacts of past initiatives. By aligning with global development goals and promoting sustainable projects, ADB private sector operations are driving transformative change that empowers communities, promotes inclusive growth, and builds a resilient future.

This introduction provides the framework and overview of the report, while the subsequent chapters explore achievements in detail. The 2024 report is divided into chapters that cover (i) performance overview and development impacts of the Private Sector Operations Department (PSOD), (ii) advancing operational priorities and alignment with Strategy 2030, and (iii) strengthening development effectiveness. The chapter on performance overview showcases key highlights of the projects committed in 2024, including notable transactions supporting environment-friendly, sustainable and resilient practices, financial inclusion, women's empowerment, and frontier economies, and outlines the results expected

from these commitments. It also details the achievements and progress made by PSOD programs and initiatives, the scale of PSOD's mobilization efforts, and the wide array of its partnerships. The next chapter details how PSOD contributed to the strategic focus and priority areas for operations laid out in the department's operational plan and the alignment of operations with Strategy 2030 and their contributions to the strategy. The third chapter assesses the development effectiveness of private sector operations by examining results delivered by the active portfolio of projects, results of project post-completion evaluations and contributions to the Sustainable Development Goals and inclusive business development.

Additionally, the report features (i) a collection of project briefs, (ii) a section on leveraging thought leadership, and (iii) a list of awards received by ADB private sector operations in 2024. The briefs of projects committed in 2024 provide an overview of each project including the value addition and alignment with ADB's operational priorities. The leveraging thought leadership section highlights the development contributions of private sector operations, particularly in driving discussions on building resilience, financial inclusion, and innovation.

It includes research findings, case studies, impact studies, and lessons learned.

The report includes 13 box stories to highlight key achievements and innovations during the year. These stories showcase impactful innovations, meaningful partnerships, and various sustainable initiatives. The figures and infographics provide data and visual snapshots of the results.



**Wind turbines, Viet Nam.** Private sector operations in 2024 included clean energy, carbon mitigation, and sustainable transport projects.

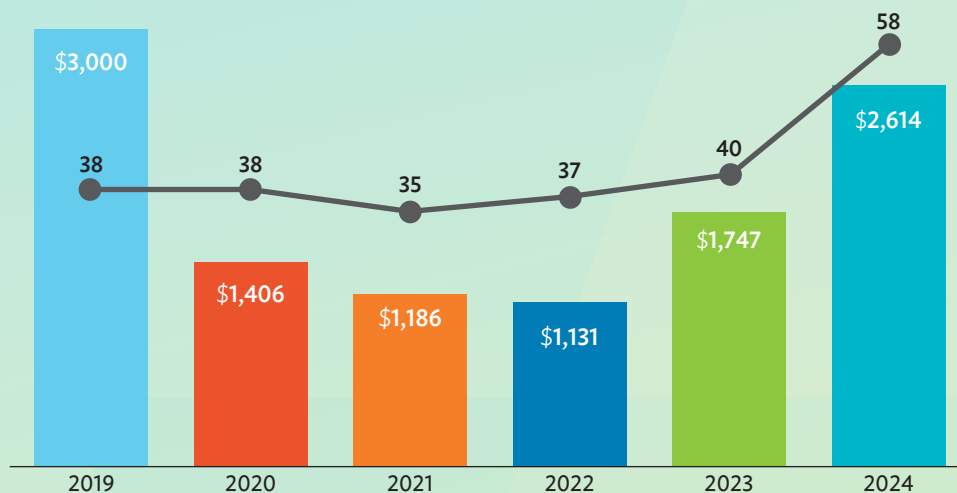


# PERFORMANCE OVERVIEW AND DEVELOPMENT IMPACT

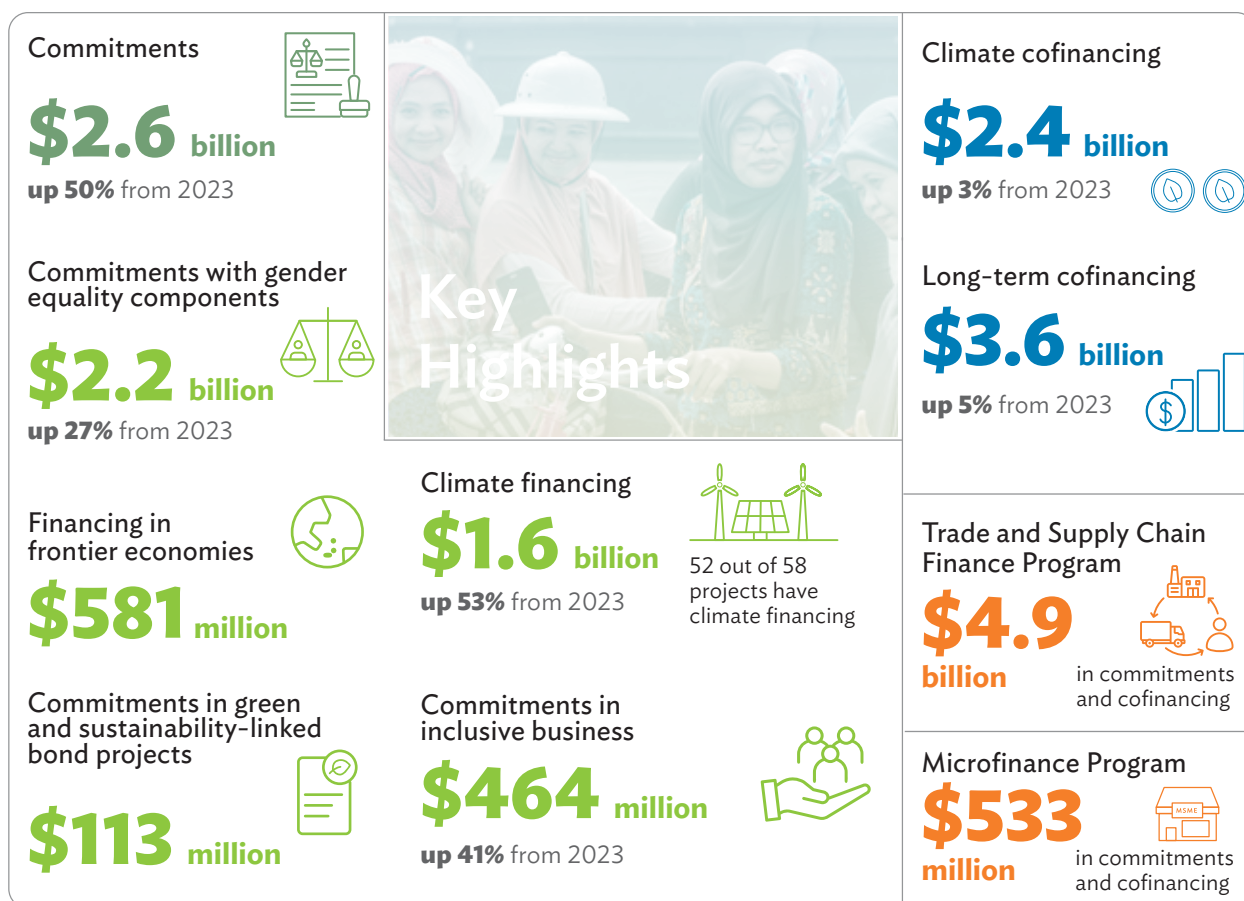
**Engineering staff at a cyclone shelter construction site, Bangladesh.** A third of private sector projects were in frontier economies, including Bangladesh.

In 2024, PSOD set new records and surpassed key targets. The number of committed projects reached an all-time high of 58, exceeding the target by 29% (Figure 1), while the volume of transactions, reflecting commitments for projects and programs, including its long-term cofinancing generated also rose to a new annual record of \$8 billion, up 16% from the year earlier.

**Figure 1: Private Sector Projects Committed, 2019–2024**  
(\$ million)



Source: Asian Development Bank (Private Sector Operations Department).



ADB financing for private sector projects rose 50% from the year earlier to \$2.6 billion, reflecting an ongoing recovery in volumes following a decline during the coronavirus disease (COVID-19) pandemic, while commitments for the trade and supply chain finance and microfinance programs exceeded \$5.4 billion. Long-term project cofinancing rose to \$3.6 billion from \$3.4 billion in 2023, giving a cofinancing ratio of \$2.6 for every \$1 ADB committed for private sector financing.

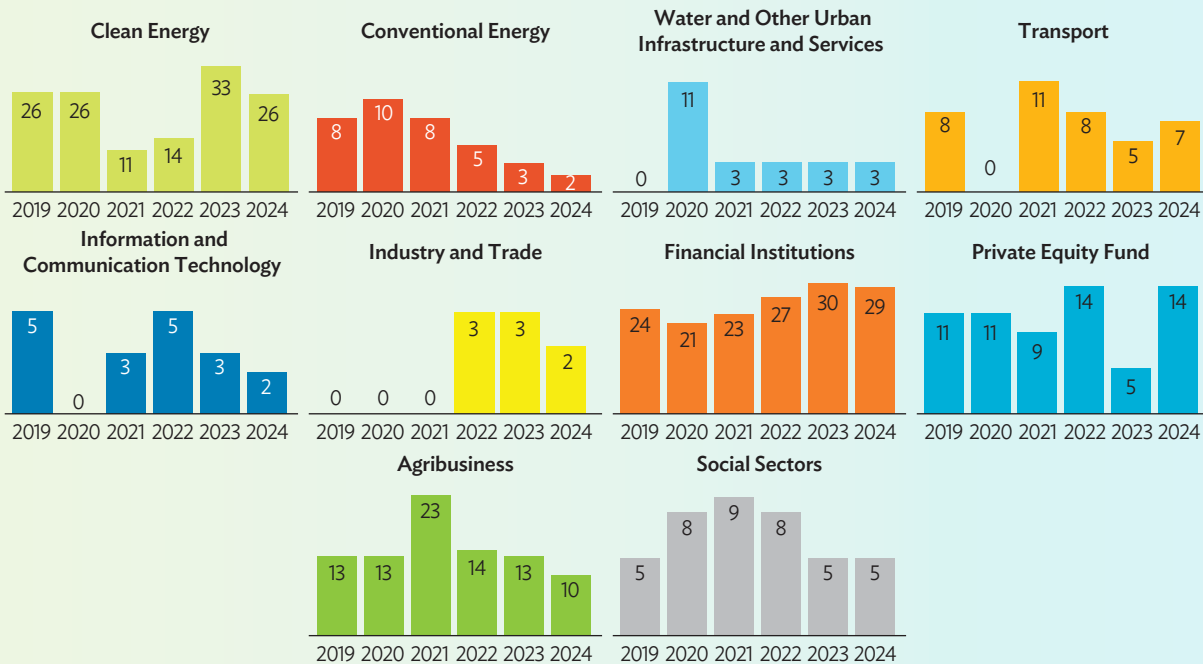
Climate finance commitments for projects totaled \$1.6 billion, while over half of all projects were in new sectors and frontier markets, including 19 frontier economy commitments, while 93% of projects included gender equity and mainstreaming elements.

Private sector operations made up 30% of ADB operations in 2024, surpassing 29% the year before and continuing an upward trend since 2020, while the number of projects at risk of not achieving development results fell to 11%, the lowest level since 2021.

### Key Highlights of Projects in 2024

Private sector projects in agribusiness, finance, energy, transport, industry, water and other urban services, health and education, and information and communication technology emphasized economic growth, livelihood improvements, financial inclusion and sustainability. (Figure 2).

**Figure 2: Private Sector Projects Committed by Sector, 2019–2024**  
(%)

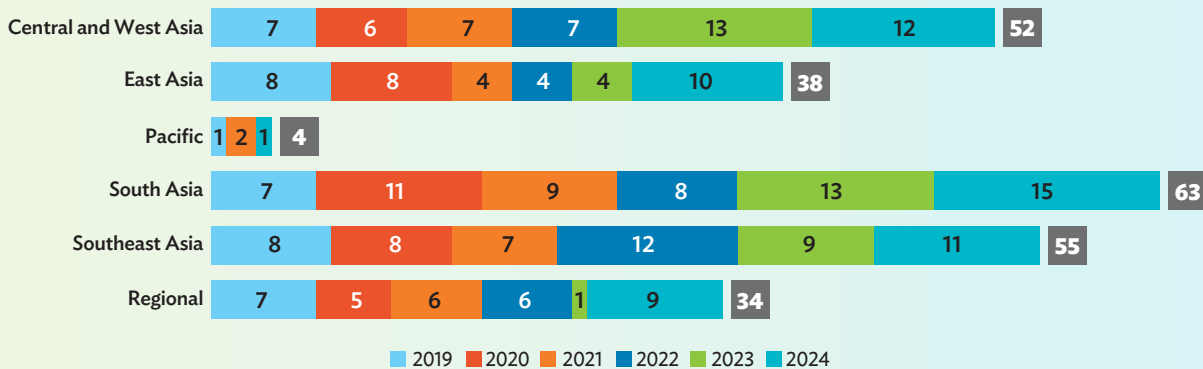


Source: Asian Development Bank (Private Sector Operations Department).

Projects in new sectors and frontier markets reached 59% of the total. By region, South Asia had the highest number of committed projects in 2024, followed by Southeast Asia, Central and West Asia, and East Asia (Figure 3).

The use of innovative financing structures and instruments, including thematic bonds, along with support from a wide range of cofinancing partners, was a notable feature of the year's performance.

**Figure 3: Private Sector Projects Committed by Region, 2019–2024**



Source: Asian Development Bank (Private Sector Operations Department).

# PRIVATE SECTOR OPERATIONS AT A GLANCE

## PRIVATE SECTOR OPERATIONS DEPARTMENT COMMITMENTS, 2024

58 projects, \$2.6 billion

### Kazakhstan, \$128 million

- KEGOC Renewable Energy Supporting Grid Expansion Project
- Arnur Credit Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprise Borrowers Project

### Georgia, \$45 million

- Basis Bank Sustainability Bond Project
- GGU-Aqualia Green Bond Project

### Armenia, \$30 million

- Telecom Armenia Sustainability-Linked Bond Project

### Azerbaijan, \$92 million

- Veyselolu Modern Retail Expansion Project
- Banka Solar Power Project
- Bilasuvar Solar Power Project

### Uzbekistan, \$124 million

- Bukhara Solar and Battery Energy Storage Project
- Bank Ipak Yuli Supporting Sustainable and Inclusive Access to Finance Project
- Hamkorbank Supporting Sustainable and Inclusive Access to Finance Project

### Pakistan, \$41 million

- SAFCO Venture Holdings Limited Sustainable Aviation Fuel Project

### India, \$575 million

- Commercial and Industrial Decarbonization Project
- Engie Solar Power Project
- Shriram Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprises Project
- Shubham Housing Supporting Affordable Housing in Semi- and Peri- Urban Areas (2021)
- SK Finance Supporting Financing for Micro, Small, and Medium-Sized Enterprises and Electric Vehicles Project
- Vastu Housing Supporting Access to Finance for Lower-Income Housing and Sustainable Housing Project
- Vivriti Capital Climate Finance Project
- JBM Haryana Electric Bus Financing Project
- JBM Odisha Electric Bus Financing Project
- ReNew Carbon Credits Financing Project
- Ankura Women and Children Hospitals Expansion Project

### Regional, \$407 million

- ECOM Climate-Resilient Coffee Value Chain Project
- ABC Impact Fund II LP
- Actis Asia Climate Transition SCSp
- Creador VI, L.P.
- Equity Investment in Jungle Ventures V, L.P.
- Keppel Private Credit Fund III LP
- Lakeshore Capital III, LP.
- Southeast Asia Clean Energy Fund II, L.P.
- BANPU Electric Tuktuks and Battery Project

### Bangladesh, \$71 million

- City Energy-Efficient Oilseed Crushing Project
- Meghna Energy-Efficient Flour Milling Project
- FPEBL Rooftop Solar Power Project
- Muktagacha Solar Power Project
- Ananta Sustainable and Energy-Efficient Fabric Manufacturing Project

### Thailand, \$450 million

- Gulf Solar and Solar with Battery Energy Storage Systems Project
- TCRB Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprises Project
- Ngern Tid Lor Access to Finance for Rural Women and Agribusiness Micro, and Small and Medium-Sized Enterprises Project

### Indonesia, \$44 million

- Muara Laboh Geothermal Power Project Stage 2
- TBS Integrated Electric Motorcycles Ecosystem Project

- |  |   |
|--|---|
| ● Agriculture                              | ● Finance   |
| ● Clean Energy                             | ● Health  |
| ● Energy (Other)                           | ● Industry and Trade                                |
| ● Education                                | ● Transport   |
| ● Information and Communication Technology | ● Water and Other Urban Infrastructure and Services |

#### ● **Mongolia, \$96 million**

- APU Dairy Inclusive Value Chain Development Project
- Bogd Bank Financing Micro, Small and Medium-Sized Enterprises and Promoting Green Lending Activities Project
- Khan Bank Green Bond Investment Project
- XacBank Supporting Climate and Inclusive Finance Project
- Orchlon School Green Campus Expansion Project

#### ● **People's Republic of China, \$315 million**

- Henan Tian Lun Safety Enhancement and Methane Leakage Reduction Project
- Huaneng Tiancheng Distributed Wind Energy Climate Finance Project
- CDH VGC Fund III, L.P.
- Canvest Waste Management Project
- China Education Group Climate Adaptive Education Project

#### ● **Viet Nam, \$30 million**

- LPB Expanding Access to Finance for Women-Owned Small and Medium-Sized Enterprises Project

#### ● **Philippines, \$162 million**

- Dali Private Label Supplier Network Expansion Project
- Buskowitz Rooftop Solar Project
- Asialink Promoting Small and Medium-Sized Enterprise Financing through Secured Vehicle Lending Project
- Ayala Electric Mobility Ecosystem Project
- Lhoopa Promoting Green Affordable Housing Project

#### ● **Fiji \$4 million**

- MFL Increasing Access to Finance for Small and Medium-Sized Enterprises, Including Women-Owned SMEs Project

Notes: This map shows Asian Development Bank (ADB) regional members only. This map was produced by the cartography unit of ADB. The boundaries, colors, denominations, and any other information shown on this map do not imply, on the part of ADB, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries, colors, denominations, or information. Source: ADB (Private Sector Operations Department). Text in gray font is a past project with additional commitment in 2024.



Asia accounts for about 51% of global carbon dioxide emissions, with the majority of the emissions coming from fossil fuel combustion.<sup>1</sup> The region needs at least \$1.1 trillion annually for mitigation and adaptation to secure its economic stability but faces a shortfall of about \$800 billion.<sup>2</sup> The growing gap between required and available public finance for climate action underscores the urgent need for more private sector involvement and financing.

ADB has an ambition to extend \$100 billion in cumulative climate finance from 2019 to 2030 to promote sustainable, inclusive, and resilient growth with the private sector contributing \$12 billion, as well as mobilizing up to \$30 billion in cofinance. PSOD has developed its own plan to support ADB's ambition, which identifies both short- and longer-term opportunities for scaling up private sector climate finance.

The 29th session of the United Nations Framework Convention on Climate Change Conference of the Parties in Azerbaijan provided a platform for PSOD to highlight ADB's unique ability to combine deep private sector experience with policy dialogue, sovereign investment, and sustainable development expertise. PSOD signed agreements with partners to promote sustainable and resilient development, organized over 15 events, and participated in more than 20 panels and meetings,

enhancing ADB's visibility as a private finance partner of choice. At the session, ADB and other multilateral development banks (MDBs) estimated that they will provide annual collective climate financing for low- and middle-income countries of \$120 billion by 2030, including \$42 billion for adaptation, and will aim to catalyze \$65 billion from the private sector.

In 2024, private sector climate finance grew 52% year-on-year to \$1.6 billion, with 90% of projects including a climate finance component, reflecting PSOD's ongoing pivot to resilience and sustainability in its operations. ADB catalyzed cofinancing of \$2.4 billion for these transactions.

Among them were projects supporting development of Central Asia's first utility-scale battery energy storage renewable power facility, the modernization of and shift to low-carbon emissions public transport in India, a power transmission upgrade in Kazakhstan to allow the feed in of renewable energy, and green and sustainability-linked bond investments in Mongolia and Georgia. Commitments were also made to reduce carbon emissions from industrial and commercial activities in India, and food and garment production in Bangladesh, along with a groundbreaking transaction to produce sustainable aviation fuel in Pakistan (Box 1), which will reduce carbon emissions from the aviation sector.

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<sup>1</sup> International Energy Agency. 2022. Energy System of Asia Pacific.

<sup>2</sup> C. H. Lim et al. 2024. [Unlocking Climate Finance in Asia-Pacific: Transitioning to a Sustainable Future](#). International Monetary Fund.



## BOX 1

## Turning Waste Oils into Aircraft Fuel

**Oil vendor, Karachi.**

A pioneering ADB-led project in Pakistan to convert waste oils into sustainable aviation fuel will help airlines cut carbon emissions while promoting development of a circular economy.



The ADB-led [SAFCO Venture Holdings Limited Sustainable Aviation Fuel Project](#) will convert a variety of waste oils into aircraft fuel, offering a renewable, lower-carbon alternative to conventional jet fuel that will deliver significant emission reduction benefits to the aviation sector.

ADB committed a \$86.2 million financial package to SAFCO Venture Holdings Limited (SAFCO) to finance the construction and operation of a sustainable aviation fuel (SAF) facility in Sheikhupura, Pakistan. This landmark deal is the first private sector-led SAF initiative in Asia and the Pacific. The project is also the first SAF project finance transaction in Asia and the Middle East.

SAF is a nonfossil-derived aviation fuel produced either (i) from feedstock, waste oil, and nonfood crops; or (ii) synthetically by capturing carbon directly from the air. SAF is a drop-in fuel replacement that does not require any modifications to the aircraft. It is considered sustainable because (i) the raw feedstock does not compete with food crops, (ii) it has limited freshwater requirements and does not contribute to forest degradation, and (iii) overall carbon dioxide emissions are lower than those of conventional jet fuel.

Pakistan generates over a million tons of used oils annually, including cooking oils and other lipid wastes that can be converted into biofuel. This project leverages Pakistan's abundant supply of used oils by converting these waste oils—which, if not discarded properly, pose biohazard risks and can contribute to flash flooding—into valuable products such as SAF, hydrotreated vegetable oil, and bionaphtha. By transforming hazardous waste into useful resources,

the initiative not only reduces waste but also promotes the development of a circular economy.

SAFCO will use the funds to build a refinery next to the existing biodiesel plant operated by Bio Tech Energy (Private) Limited (BTE), which will utilize BTE's existing feedstock supply sourced from local businesses, such as restaurants and poultry processors. The facility will have the capacity to produce 145,000 tons of SAF and 18,000 tons of bionaphtha annually, contributing to a yearly reduction of up to 500,000 tons of carbon dioxide equivalent. SAFCO has signed a long-term offtake contract with Shell Eastern Trading (Pte) Ltd, a subsidiary of Shell plc.

Aviation accounts for up to 3% of global carbon dioxide emissions but with air traffic expected to double by 2040, that rate of emissions is set to grow sharply. SAF is fully compatible with existing aircraft and reduces carbon dioxide emissions by up to 80% compared with conventional jet fuel. The demand for sustainable fuel is growing rapidly in part due to government regulations mandating increased use of cleaner products, as well as aviation initiatives and technological advancements.

The project is the first to be funded by ADB using the [Innovative Finance Facility for Climate in Asia and the Pacific](#) program. ADB acted as the mandated lead arranger and bookrunner for the financing package, which includes \$46.2 million from ADB's ordinary capital resources, \$40 million in syndicated B loans from The Emerging Africa & Asia Infrastructure Fund, managed by NinetyOne and ILX, an Amsterdam-based emerging market asset manager, as well as a parallel loan of \$5 million from the International Finance Corporation.

ADB committed \$50 million equity in [Actis Asia Climate Transition SCS](#), a regional private equity fund that will make growth equity investments in renewable energy, energy solutions, and sustainable transportation companies. The fund will primarily support established businesses that are committed to reduce carbon emissions in their operations and will invest in around six to eight companies operating in the Asia and Pacific region.

The fund, which is managed by Actis, a leading global investor in sustainable infrastructure, will require its investee companies to draft net-zero emission plans along with credible pathways to achieve them. Actis in 2022 committed to achieve net-zero emissions across its portfolio by 2050.

ADB committed \$5 million equity in [Southeast Asia Clean Energy Fund II, L.P.](#), a regional private equity fund that will invest in early-growth stage companies engaged in renewable energy, clean energy solutions, and sustainable transport.

A key feature of ADB's commitment is the Southeast Asia Clean Energy Fund II, L.P.'s gender lens approach

across its investments. The investee companies are also expected to have scalable business models and proven low-carbon technologies that can support Southeast Asia's efforts to cut emissions and expand clean energy use. The region is struggling to raise the necessary funds to meet its carbon transition targets, with limited access to long-term equity finance, especially for small-scale energy companies. Investments from the Southeast Asia Clean Energy Fund II, L.P. will help meet this gap.

Providing solutions to often complex development challenges is an important element of PSOD operations. These solutions include innovative financing structures to address investor risk perceptions and enhance project bankability, as well as facilitating the adoption of new technologies and the use of instruments like sustainability-linked loans that can promote sustainable development. By employing innovation in its projects and programs, PSOD is able to expand the development impacts of its work while providing demonstration models for potential replication. In 2024, there were multiple projects that employed innovations including first-of-their-kind financing structures (Box 2) and thematic bond issuances (Box 3).

**Staff at a solar plant in Indonesia, which Southeast Asia Clean Energy Fund has invested in.** The ADB equity investment in Southeast Asia Clean Energy Fund II, L.P. will provide capital for early-growth stage companies engaged in clean energy and sustainable transport solutions (photo by Southeast Asia Clean Energy Fund II, L.P.).



## BOX 2

## Innovative Financing Structures for Stronger Development Results

**From top, left to right: Microentrepreneur, India; Affordable homes, Philippines; Rooftop solar panels, Bangladesh.** The use of innovative financing structures in projects helped reduce risk concerns while boosting development impacts (photo by ADB, Lhoopa Inc., and FPEBL).



The [Lhoopa Promoting Green Affordable Housing](#) Project in the Philippines is ADB's first private sector infrastructure project to use a revolving credit facility. ADB is providing a \$5 million loan to Lhoopa Inc. for the project, which will allow the company to expand delivery of affordable homes, addressing a market shortage in this sector. The innovative financing structure includes performance-linked credit limit step-ups, and the revolving nature enables Lhoopa Inc. to repay and withdraw the loan as needed.

The [FPEBL Rooftop Solar Power Project](#) in Bangladesh incorporates a new financing structure that funds multiple and diverse rooftop solar projects within a single portfolio, effectively spreading risks. As a sole mandated lead arranger, ADB mobilized financing of \$15.1 million to Fourth Partner Energy Bangladesh Limited (FPEBL) to build and operate a portfolio of solar photovoltaic power systems on rooftops of commercial and industrial buildings owned by leading local corporations, which will purchase the generated electricity. The funds include a \$5 million loan from ADB, \$4 million from Triodos Investment Management; and a \$6.1 million loan from Leading Asia's Private Infrastructure Fund, administered by ADB.

ADB is applying a first-of-its-kind, results-based pricing incentive in the [SK Finance Supporting Financing for Micro, Small, and Medium-Sized Enterprises and Electric Vehicles Project](#) to boost financing for electric vehicles (EVs) in India. This is the first time ADB has offered such an incentive to a financial intermediary in India. At least 20% of ADB's financing of \$100 million to SK Finance Limited (SKF) will be allocated to EV financing and up to 80% will be utilized for onlending to micro, small, and medium-sized enterprises, with a significant portion allocated to women-owned or operated businesses. The results-based pricing incentivizes SKF to allocate a higher proportion of ADB loan proceeds toward EV financing by enabling SKF to absorb any additional credit costs arising from scaling up of the EV finance portfolio. While there have been a few sustainability-linked debt transactions with price incentives in India, these have been offered largely to major financial intermediaries and corporations, and not to smaller-sized intermediaries like SKF. The project provides a potential model for financing EVs and ADB's role as a key lender is expected to encourage future lending from international lenders.



## BOX 3

## Driving Impact Through Thematic Bonds

**From top, left to right: Zhinvali water reservoir, Georgia; Shopkeeper, Georgia; Telecommunications equipment, Armenia; Pedestrians, Mongolia; Waste facility, India.**

ADB investments in thematic debt issuances in 2024 are helping companies make their operations more environmentally and socially sustainable (photos by ADB, except water reservoir courtesy of Georgia Global Utilities JSC and the waste facility courtesy of Vivriti Capital Limited).



In 2024, ADB invested in thematic bonds, to advance its Strategy 2030 development agenda. This innovative approach links investor returns to measurable, impact-driven outcomes aligned with sustainability and good governance principles. It also signals to the market that ADB-supported bonds and loans are credible.

ADB continued to help advance capital market development in the Caucasus region, with sustainability-linked bond and green bond investments in Telecom Armenia OJSC for the [Sustainability-Linked Bond Project](#), JSC BasisBank for the [BasisBank Sustainability Bond Project](#) in Georgia, and Georgia Global Utilities JSC (GGU) for the [GGU-Aqualia Green Bond Project](#) in Georgia. The Telecom Armenia issuance is the first

to be listed on the nation's stock exchange, while the GGU issuance is the largest green bond from a Georgian private issuer. ADB's participation in these bond issuances will boost international confidence in capital markets in the region and are expected to pave the way for similar issuances in future, while supporting the broader development of thematic bond markets in the Caucasus and Central Asia.

As an anchor investor, proceeds from ADB's \$18.5 million investment in Telecom Armenia's inaugural \$75 million sustainability-linked bond will support the company's initiatives to upgrade its mobile and broadband infrastructure, including improving internet access, speed, and network reliability, particularly benefiting underserved urban and rural areas.

*continued on next page*

**Box 3** *continued*

This sustainability-linked bond—with performance indicators linked to environmental and energy efficiency objectives—sets a benchmark for future debt issuances contributing to environmental, social, and governance improvements.

ADB's \$40 million anchor investment in GGU's \$300 million green bond will enhance the water supply network in Tbilisi and neighboring municipalities, ensuring 24-hour potable water, building resilience against climate change on surface and groundwater resources. This transaction solidifies ADB's position as one of the leading international financial institutions supporting environmental, social, and governance bond issuances in Georgia.

Proceeds of ADB's \$15 million investment, as an anchor investor in the sustainability bond issued by JSC BasisBank, will finance climate and social sector projects in Georgia, including assisting small and medium-sized enterprises owned or led by women who undertake sustainable activities.

Mongolia's drive to cut carbon emissions and scale up green investments that promote better environmental outcomes was given a significant lift by the launch of the first thematic bond to be listed on the country's stock exchange, with ADB acting as an anchor investor. The proceeds from ADB's \$12.5 million investment in the green bond offered by Khan Bank JSC, for the [Khan Bank Green Bond Investment Project](#), will be used to provide subloans to businesses and households, including those owned and led by women, engaged in

environment-friendly activities such as renewable energy, energy efficiency, pollution prevention, sustainable agriculture, and clean transport. The proceeds from the bond will provide much-needed affordable financing for projects with strong environmental impact, which is not readily available in the country. Additionally, the launch of the bond is expected to give the domestic capital market a boost by promoting interest in a new type of financial instrument for funding sustainable and resilient development.

In India, ADB's investment of \$25 million in local currency equivalent in a certified climate bond issued by Vivriti Capital Limited will finance enterprises and retail borrowers engaged in activities that protect the environment and promote sustainability. These include the use of electric vehicles (EVs), the adoption of renewable energy, and the implementation of waste management. At least 30% of the investment will be allocated to support e-mobility, including charging and battery-swapping stations, and EV purchases. The bond, certified by the Climate Bonds Initiative, improves access to climate finance for financially underserved enterprises, including mid-market corporates and retail clients. It is the first certified climate bond issued by a medium-sized nonbank financial company in India and is likely to encourage other nonbank financial institutions to develop green finance frameworks and issue climate bonds or loans. ADB's investment in the [Vivriti Capital Finance Project](#) supports Vivriti Capital Limited's need for longer-tenor products, improving its asset-liability matching and aligning with the tenors of its sustainable finance loans.

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Source: Asian Development Bank (Private Sector Operations Department).

India's commitment to grow its domestic solar power industry is getting a boost from an innovative, tailored financing arrangement put together for the [Engie Solar Power Project](#). The project will build a solar power plant, while promoting diversification of the solar module supply chain and strengthen sourcing practices. ADB is providing a long-tenor Indian-rupee-denominated loan, equivalent to \$87.6 million, to Enren Energy Private Limited (Enren), which will be used to fund the construction of a 400-megawatt (MW) solar photovoltaic power plant in the state of Gujarat. As a mandated lead arranger for mobilizing financing, ADB also mobilized an Indian-rupee-denominated parallel loan of \$87.5 million from the Asian Infrastructure Investment Bank.

ADB is providing unique local currency long-term financing, which is not available in the market. The bespoke financing, including a top-up loan with an option to fix the interest rate for the entire loan tenor and to defer principal repayment, was vital for the project to proceed. The competitive tariffs agreed for the project also mean the offtaker, state-owned electricity distributor Gujarat Urja Vikas Nigam Limited, will purchase the solar power at a price significantly lower than its average purchase power cost, benefiting consumers. Additionally, by procuring solar panels from three local manufacturers, the project will support diversification of the solar module supply chain, while enhanced due diligence will strengthen sourcing practices and attract greater interest in the Indian solar power sector from other developers and investors. The plant will produce 805,681 megawatt-hours (MWh) of clean electricity a year, avoiding annual greenhouse gas (GHG) emissions of 662,441 tons of carbon dioxide equivalent (tCO<sub>2</sub>e), directly contributing to the Government of India's goal of reaching 500 gigawatts of renewable energy capacity by 2030. Enren is a special purpose vehicle of the ENGIE SA group, a French energy conglomerate with operations in 31 countries, and the project is the second that ADB has financed for the group in India, following a previous investment in 2020. ADB has been supporting the development of renewable energy in India since 2007.

PSOD's operational plan prioritizes investments in new and challenging sectors and in frontier markets, as part of its goal to diversify its operations. In 2024, ADB invested in 20 projects in new and challenging

sectors with 19 projects in frontier markets, where accessing development capital is difficult due to limited funding options and high risk perceptions. Frontier market investments included projects to introduce energy-efficient equipment in the food and textiles sectors in Bangladesh; fund a sustainable and resilient school campus and dairy infrastructure in Mongolia; build Central Asia's first utility-scale battery energy storage renewable power facility in Uzbekistan; and assist micro, small, and medium-sized enterprises (MSMEs) in Fiji, Kazakhstan, Mongolia, and Uzbekistan

In Fiji, ADB made its first private sector transaction in the finance sector with a loan to address major shortfalls in funding for small and medium-sized enterprises (SMEs), especially those owned and led by women (WSMEs). ADB provided a local currency senior loan of up to \$4 million equivalent to Merchant Finance Pte Limited (MFL), the second-largest nonbank licensed credit institution in the nation. It will also administer a grant from the Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific program for the [MFL Increasing Access to Finance for SMEs, Including Women-Owned SMEs Project](#). At least 75% of the proceeds will be allocated for WSMEs. MSMEs face a credit gap estimated at over \$1 billion in Fiji, with women-owned businesses—accounting for 19% of the MSMEs—facing an estimated \$111 million credit gap annually. MFL has committed to launch a new product or service targeted at WSMEs and increase the proportion of female credit team leaders employed by the company.

### Expected Development Results from Projects in 2024

To measure the development impacts of its work, PSOD sets results targets for its projects that reflect their contributions to the operational priorities of Strategy 2030 and to the United Nations Sustainable Development Goals.

Agribusiness investments in Azerbaijan, India, Indonesia, Mongolia, Papua New Guinea, and Viet Nam, including the first ADB financing for a food retail company in Azerbaijan, will benefit 6,411 farmers. Projects in East Asia, South Asia, and regionally are expected to produce over 564,000 tons of food per year. Public transport investments in South Asia and regionally will reach 48.1 million passengers, while projects in



the water and other urban infrastructure and services sector in Georgia will result in the production of 4 million cubic meters of potable water, providing 10,000 households with new water supply connections. Investments in South Asia and Southeast Asia to support affordable, sustainable housing are expected to result in 13,280 houses being built or improved.

In the finance sector, ADB made commitments to financial institutions in Fiji, India, Kazakhstan, Mongolia, Thailand, Uzbekistan, and Viet Nam, enabling them to provide much-needed credit to small businesses, particularly those owned and led by women and operating in underserved areas. These projects are expected to assist 1 million MSMEs, including 203,358 female MSME beneficiaries.

For 2024, climate-related transactions included investments for large-scale solar power plants in Azerbaijan and Uzbekistan; emission reduction initiatives in Bangladesh, India, and Pakistan; the development of energy-efficient public transport, housing, and educational infrastructure in India, Mongolia, and the Philippines; and the issuance of green and sustainability-linked bonds in Armenia, Georgia, and Mongolia. Overall, these projects are expected to avoid GHG emissions of 10 million tCO<sub>2</sub>e a year, add 4,116 MW of new generating capacity to the region, produce 201,800 electric vehicles (EVs), and install 1,788 EV charging facilities.

Collectively, projects committed in 2024 are expected to provide jobs to 16,783 people, including 2,553 women and training to 164,475 people, including 104,070 women.



**Seamstress in her shop, Fiji.** A first ADB private sector transaction in Fiji to support a financial institution will target increased funding for small businesses, especially those owned by women.

# Results Expected from Projects Committed in 2024



**10.0 million**  
**tCO<sub>2</sub>e/year**

GHG emissions reduced



**8,694 GWh**

Power delivered



**48.1 million**

Passengers reached



**203,538**

MSME beneficiaries  
(female)



**4,116 MW**

Generation capacity



**4 million m<sup>3</sup>**

Volume of drinking water  
produced



**4,212**

Students reached



**164,475**

People trained



**201,800**

Electric vehicles  
produced



**1,788**

Electric vehicle charging  
infrastructure installed



**6,411**

Farmers reached



**104,070**

People trained (female)



**13,280**

Houses built/improved



**301,293**

Patients reached



**1 million**

MSME beneficiaries



**16,783**

Workers employed



**1,060**

Hospital/clinic beds  
purchased



**\$214 million**

Domestic purchases



**260,000**

Telecom subscribers  
reached



**2,553**

Workers employed  
(female)



**564,525**  
**tons**

Agricultural products  
produced (food)



**10,000**

Households with access  
to water

GWh = gigawatt-hour; m<sup>3</sup> = cubic meter; MSMEs = micro, small, and medium-sized enterprises; MW = megawatt; tCO<sub>2</sub>e = tons of carbon dioxide equivalent.

Source: Asian Development Bank (Private Sector Operations Department).

## Programs and Initiatives

### Trade and Supply Chain Finance and Initiatives

The [Trade and Supply Chain Finance Program](#) (TSCFP) in 2024 continued to support its development mandate by providing much-needed funding for transactions and advancing initiatives to make trade and its supply chains more inclusive, resilient, transparent, and socially responsible. TSCFP provided guarantees and loans for 27,631 transactions valued at \$4.9 billion in markets where the private sector requires assistance, including Bangladesh, Pakistan, Sri Lanka, as well as for Group A (concessional assistance only) economies such as the Kyrgyz Republic, Nepal, Samoa, and Tajikistan. For the first time, the growing supply chain business executed over \$1 billion in transactions, while out of the program total, 13,500 transactions supported SMEs.

TSCFP taps the private sector as a cofinancing partner for its work, including through risk-sharing agreements, to close market gaps for funding, and in 2024 the program catalyzed \$2.9 billion. The program also promotes regional cooperation and integration in its operations and business volumes for intraregional transactions reached \$2.7 billion in 2024, with \$500 million supporting transactions between developing member countries (DMCs). TSCFP is well-positioned to continue supporting any acceleration in regional cooperation and integration, including through increased trade and shifting supply chains.

TSCFP continued to lead global efforts to digitalize trade through its convening of a Multilateral Development Bank Working Group on Trade Digitalization, which includes the World Trade Organization. This working group is engaged in executing a plan to transform paper

trade documents into digital data. This shift will drive major global productivity gains, boost global gross domestic product (GDP), and lower barriers to entry for small and medium-sized companies. The program also completed a Trade-Based Anti-Money Laundering pilot in five DMCs. The pilot is expected to be scaled up for global use in partnership with the United Nations Office on Drugs and Crime.

To promote sustainable supply chains, TSCFP supported the implementation of environment and social management systems in eight partner banks and continued to develop a digital tool to track carbon emissions and labor standards at each stage of a supply chain. This tool is being trialed through a pilot initiative in the Sri Lankan textile sector and could eventually be scaled up and applied in other sectors, with an investigation currently underway on how it could be used in the rare earth mineral supply chain.

### Microfinance Program

The Microfinance Program (MFP) supports financial inclusion in Asia and the Pacific, and in 2024 extended an all-time high of \$533 million to microfinance institutions (MFIs) and nonbank financial institutions (NBFIs) through its partner financial institutions. This will result in assistance to over 900,000 beneficiaries, mostly women microborrowers. During the year, the MFP expanded its country coverage to include Nepal and added six new MFIs to its network, while it supported resilience by encouraging financing to women microborrowers engaged in agriculture and farm-based activities in areas vulnerable to environmental risks. A total of \$88 million in adaptation financing for environmental resilience, benefiting 339,000 small and marginal farmers, was mobilized over the course of the year.



**Members of ADB's Trade and Supply Chain Division and Deutsche Bank representatives at a signing ceremony for a risk participation agreement.** The agreement supports the provision of loans and guarantees to small and medium-sized enterprises across developing markets.



Partnerships are a crucial feature of the program's success, and the MFP has now established links with 7 local and international financial institutions and 29 active MFIs and NBFIs, enabling the program to promote inclusive economic growth and poverty reduction across Asia and the Pacific. Along with its financing activities and objectives, the MFP also provides technical assistance to strengthen the institutional capacities of MFIs and supports their clients in building climate and disaster resilience through the delivery of home improvement loans. As a result, more than 85,000 households have received water, sanitation, and hygiene loans, and micro-housing loans. Around 99% of borrowers under the program are female, and mostly from rural and economically less developed areas.

### ADB Ventures

ADB Ventures, the bank's venture capital investment facility under PSOD, continued to invest in early-stage companies developing technology-enabled solutions that have the potential to scale up and deliver climate and development impacts across emerging Asia. In 2024, ADB Ventures Investment Fund 1 expanded its portfolio by adding four new companies, disbursing \$3.7 million in equity investments, while making four

follow-on investments totaling \$2.8 million. To date, ADB Ventures Fund 1 has invested in 16 companies.

In early 2025, ADB Ventures Investment Fund 2 was established. Similarly to Fund 1, Fund 2 seeks to invest in early-stage companies developing technology-enabled solutions for lowering emissions and enhancing resilience across emerging Asia.

The new Fund 1 portfolio investments for 2024 include Tiger New Energy, a company providing affordable clean mobility through a nationwide network of battery-swapping stations in Bangladesh; IBISA, a climate parametric insurance platform leveraging satellite data analytics; InnoCSR, a provider of advanced soil stabilizers enabling eco-friendly brickmaking and green construction materials; and Electrifi Mobility, a full-stack electric mobility-as-a-service provider that helps commercial fleets electrify while accelerating India's electrification.

In parallel with its equity investments, ADB Ventures SEED program continued providing catalytic funding for early-stage companies to validate and deploy their solutions in developing Asia. By generating proprietary deal flows, the SEED program plays a crucial role in

**InnoCSR brick production line, Nepal.** New ADB Venture investments in 2024 include funding for InnoCSR, a company providing an eco-friendly brickmaking technology that eliminates kilns and cuts carbon emissions (photo by InnoCSR).





ADB Ventures' investment operations. By the end of 2024, the program has supported 45 companies across diverse sectors, including climate-smart agriculture, sustainability-focused financial technology, e-mobility, and energy efficiency. These efforts have facilitated cross-border technology transfers and knowledge sharing across 12 of ADB's DMCs.

In Fund 1, over 90% of investments were classified as having gender impacts. A total of 32% of startups under the fund and in the SEED portfolio of companies were founded by women innovators, highlighting a commitment to gender equality and empowerment. Fund 1 has reduced just over a million tCO<sub>2</sub>e emissions, while more than 1.5 million people have benefited from better access to jobs, economic opportunities, and access to finance. It also tripled its performance against its interim target for additional capital raised by investee companies, from \$50 million to more than \$150 million.

### ADB Frontier

The [ADB Frontier](#) platform, set up to finance growing SMEs (gazelle SMEs) in frontier markets, established the ADB Frontier Seed programs in the Pacific and Mekong regions in 2024. The Pacific program is initially focusing

on Fiji and other selected Pacific island countries, while the Mekong program focuses on Cambodia and the Lao People's Democratic Republic (Lao PDR). PSOD implements these programs jointly with ADB's Pacific and Southeast Asia departments. Initial transactions were made to SeaPac Pte. Ltd, a Fijian aquaculture company, to support increased commercialization of the nation's prawn industry; Kahuto Investments Pte. Ltd, an aerial mapping company in Fiji; Azallya (Cambodia) Co. Ltd, a Cambodian business-to-business marketplace for agricultural products; and PillTech Solutions Pte Ltd, a Cambodian business-to-business pharmaceutical marketplace.

Additionally, technical assistance during the project preparation phase of ADB Frontier was extended to Khmer Dairy Investments Pte. Ltd. (Kirisu), Cambodia's only commercial dairy farm; Loca Co. Ltd. (Loca), a ride-sharing company that is building out electric mobility infrastructure in the Lao PDR; Forest Plateau Pte. Ltd. (Slow Coffee), a Lao PDR coffee producer and retailer selling to multinationals in Europe; and Greengoods Co. Ltd. (Green Company), a Lao PDR poultry producer working with local community household contract farmers. By the end of 2024, ADB Frontier's portfolio included eight companies.



#### Coastal village, Fiji.

ADB Frontier financed several businesses in 2024, including Kahuto Pacific, an aerial mapping company based in Fiji (photo by Kahuto Investments Pte. Ltd).

These transactions help the gazelle SMEs to raise funds, increase their market presence, and progress their business strategies. ADB Frontier aims to develop capital markets and build local industries in frontier markets. The approach is to target gazelle SMEs that can grow beyond 20% annually and drive growth and employment, empower women, and take climate action. For example, Green Company has been able to boost the number of its contract farmers from 55 to 330, while gaining export certification for its products. In addition, Loca installed 40 fast-charging EV stations across the Lao PDR in 2024.

ADB Frontier is funded primarily by external partners including Australia's Department of Foreign Affairs and Trade; the Republic of Korea e-Asia and Knowledge Partnership Fund; the Swiss Development Corporation; the Ocean Resilience and Climate Adaptation Fund, financed by the United Kingdom Foreign Commonwealth and Development Office; and the Nordic Development Fund in the Pacific.

### Women's Finance Exchange

The PSOD initiative, the [Women's Finance Exchange](#) (gWFX) supports financial inclusion of women and women's businesses. The gWFX facilitates innovative financing solutions, capacity building, and knowledge

events for 54 financial institutions enabling them to offer finance, including sustainable finance, to women's businesses in 11 countries in 2024. Most notably, the gWFX supported the digitalization of the SME loan application process as well as automation of sex-disaggregated data collection in [Fiji](#), enhancement of digital capabilities and operational efficiency in the [Kyrgyz Republic](#), and the piloting of a technology solution for an alternative credit scoring system for women entrepreneurs in [Nepal](#). The gWFX also supported development of the Sustainability Bond Framework for a sustainability-linked bond issuance in [Georgia](#) to ensure that the use of proceeds is in line with international standards.

The gWFX supported the launch of the [Women Entrepreneurs Finance Code](#). The code is a commitment from multiple financial institutions to increase funding to WMSMEs by promoting the collection and use of sex-disaggregated data, which is coordinated by the [Women Entrepreneurs Finance Initiative \(We-Fi\)](#). This One ADB program will implement the code in Fiji, Indonesia, and Sri Lanka. gWFX is building the capacity of financial institutions in these countries. Furthermore, gWFX conducted targeted training in the Pacific for 79 women's businesses, with the aim of supporting them to overcome financial hurdles.

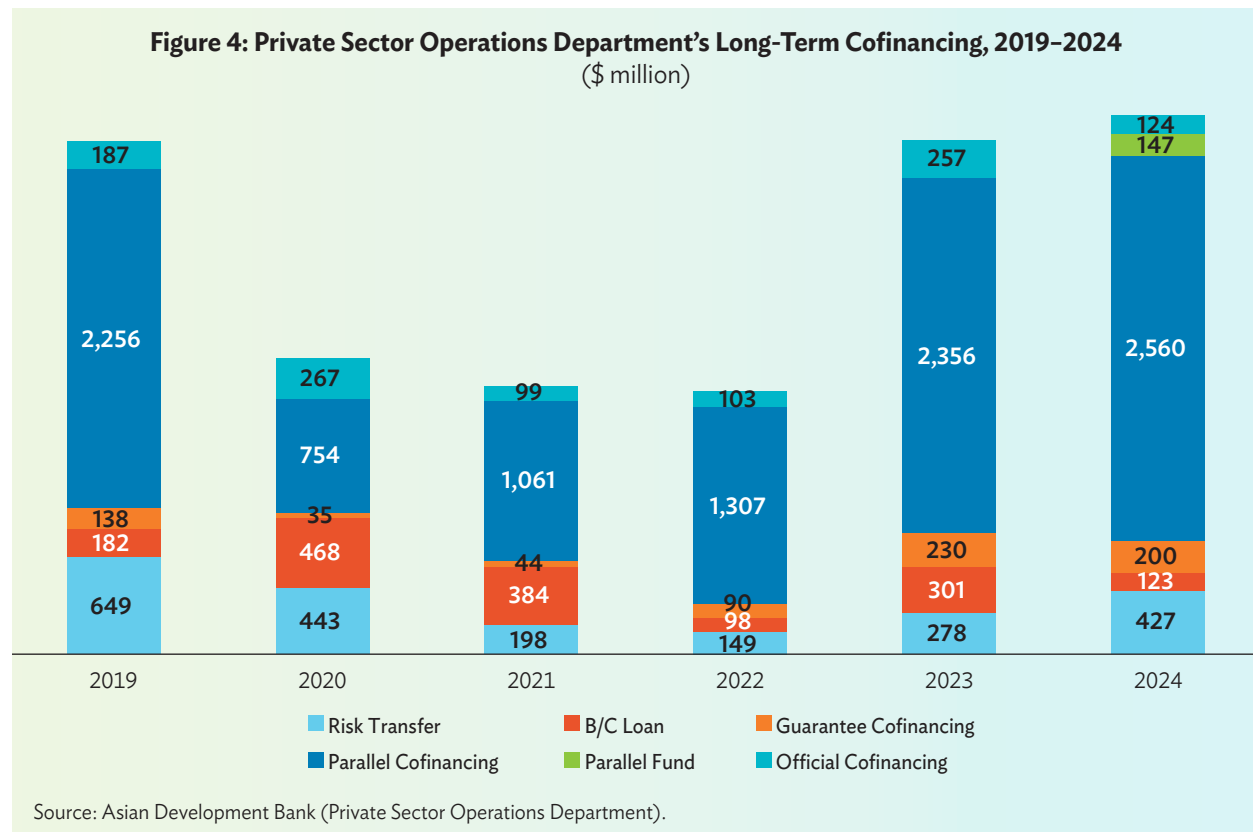
**Store owner,  
Burdibang, Nepal.**  
Women's Finance Exchange activities in 2024 included support for the piloting of an alternative credit scoring system for women entrepreneurs in Nepal.



## Mobilization

PSOD works alongside a broad range of partners in both the public and private sectors and draws on multiple instruments to cofinance its projects and programs. That includes syndicating loans from commercial lenders, tapping parallel finance from third-party funds and official sources, and using risk transfers and partial guarantees to make operations bankable and attractive to private investors. With ADB setting a target of \$13 billion for private sector financing by 2030, including \$4.5 billion from partners, scaling up cofinancing has become increasingly important. In 2024, long-term cofinancing provided in the form

of risk transfers, B loans, guarantees, and parallel and official cofinancing reached \$3.6 billion (Figure 4), with an overall ratio of \$2.6 in cofinancing provided for every \$1 ADB committed for private sector assistance. A total of 45 projects received cofinancing support, while ADB also established a new partnership with the creation of the [Canadian Climate and Nature Fund for Private Sector in Asia](#)—a trust fund financed by the Government of Canada and administered by ADB that will finance climate-focused projects in the private sector, including those promoting nature-based solutions.





The [Gulf Solar and Solar with Battery Energy Storage Systems Project](#) in Thailand is a notable example of PSOD's mobilization endeavors, with ADB arranging a \$929.8 million financing package, including over \$529 million from external sources and \$31.4 million in concessional finance. This collaboration brought together diverse partners, including the Asian Infrastructure Investment Bank, Deutsche Investitions- und Entwicklungsgesellschaft (German Investment Corporation), KEXIM Global, and the ADB-administered Clean Technology Fund, demonstrating the strength of collective efforts in driving impactful deals. The project will deliver 1,465 GWh of electricity by 2027 while avoiding annual GHG emissions of 605,466 tCO<sub>2</sub>e, and sell the electricity generated under 25-year power purchase agreements with the Electricity Generating Authority of Thailand.

To help derisk private sector investments, ADB seeks to bring together concessional donor funds with ADB's own ordinary capital resources and commercial financing to create blended finance solutions. This financing approach mitigates specific investment risks for private investors, reduces costs for the borrower, and helps move forward projects that would not have been viable with commercial funds alone. Blended finance is playing an increasingly important role in bridging funding gaps for

climate-focused private sector operations and in 2024, there were 12 projects using this solution. A number of ADB-managed funds are helping leverage private sector investments for blended finance packages (Box 4).

### Strengthening Partnerships for Greater Impact

PSOD works closely with partners, drawing on their resources, knowledge, and experiences to ensure private sector operations deliver long-term value and maximize development impacts. In 2024, PSOD signed partnership agreements, took part in events, engaged with a wide array of stakeholders, and produced knowledge products.

### Partnership Agreements

PSOD signed seven memorandums of understanding, a collaboration plan, and eight trade and supply chain-related agreements in 2024 to deliver solutions that support ADB's strategic goals and assist developing countries in transitioning to low-carbon, resilient economies (Box 5). These collaborations demonstrate PSOD's commitment to creating opportunities for meaningful partnerships while laying the foundation for joint ventures. Furthermore, these collaborations have helped PSOD identify investment opportunities worth billions of dollars in renewable energy and inclusive finance.

**Solar farm, Kanchanaburi, Thailand.** ADB arranged financing for a project that includes Southeast Asia's first large-scale solar integrated battery energy storage systems (photo by Gulf Renewable Energy Company Ltd.).





## BOX 4

## Blended Finance for Derisking Private Sector Projects

**Clockwise from top left: Geothermal worker, Indonesia; Home worker, Mongolia; Agroforestry site, India.** Blended finance packages, which help overcome barriers to investment by the private sector, were an important feature of operations in 2024.



ADB-managed funds, including the [Australian Climate Finance Partnership \(ACFP\)](#), [Canadian Climate and Nature Fund for the Private Sector in Asia](#), and [Climate Innovation and Development Fund](#) (CIDF), play an important role in helping ADB put together blended finance solutions in sectors and geographies where commercial funding is not readily available.

In 2024, the ACFP extended \$15 million as part of a blended finance package for the [Muara Laboh Geothermal Power Project Stage 2](#) in Indonesia. Established through a A\$140 million grant contribution from the Government of Australia in June 2021, the ACFP has supported a wide range of projects using blended finance solutions.

The Government of Canada continued to be a valuable partner to ADB with the newly established Canadian Climate

and Nature Fund for the Private Sector in Asia committing \$10 million in a blended finance package for the [XacBank Supporting Climate and Inclusive Finance Project](#) in Mongolia. In its more than decade-long partnership with ADB, the Government of Canada has supported the development of more than 1,500 megawatts of renewable energy capacity.

CIDF, the ADB-managed concessional financing fund established with grant commitments from Bloomberg Philanthropies and Goldman Sachs, committed \$293,000 in a blended financing package for the [ReNew Carbon Credits Financing Project](#). CIDF supports sustainable low-carbon economic development in developing countries in South Asia and Southeast Asia by increasing the pace, scale, and ambition of emissions reduction solutions.

## BOX 5

## Laying Foundations for Joint Ventures Through Memorandums of Understanding

**Partners contribute critical financial support, innovation, knowledge, and experience to private sector operations.**

Partnership agreements signed in 2024 are expected to pave the way for investments supporting sustainable development measures, trade and supply chain activities, and financial inclusion.



ADB signed a memorandum of understanding (MOU) with VISA in February 2024 to promote financial and digital inclusion in the region. Under the MOU, VISA will collaborate with ADB's Private Sector Operations Department (PSOD) to address the lack of finance for women and digitalization gaps faced by small and medium-sized enterprises and women-owned businesses, while raising awareness and sharing knowledge on digital innovations for financial inclusion.

In a significant step toward promoting energy transitions, PSOD signed MOUs with Singapore-based Enterprise Singapore (EnterpriseSG) and Keppel Sustainability Solutions Infrastructure, as well as with ACEN Corporation in the Philippines. Under the MOUs signed with EnterpriseSG and Keppel Sustainability Solutions Infrastructure, ADB and the companies will explore energy transition and environmental sustainability projects, such as emission reductions from power generation facilities, development of sustainable aviation fuel, electric mobility, waste to energy, and sustainable and resilient buildings. Meanwhile, ADB with ACEN Corporation, a member of the Ayala Group of Companies, will explore investment opportunities in sustainable energy projects to advance the region's transition to a low-carbon future while creating job opportunities.

In November, ADB signed an MOU with Mastercard Impact Fund, administered by the Mastercard Center for Inclusive

Growth, to create a partnership that will allow ADB to leverage grants from Mastercard and provide funding to financial institutions for onlending to micro, small, and medium-sized enterprises (MSMEs). The target of the lending will be MSMEs led by women and enterprises committed to making their businesses environment-friendly and energy efficient. This cooperation is expected to catalyze up to \$1 billion of financing from ADB and will be initially targeted at MSMEs operating in Georgia, India, Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam. The agreement follows an earlier MOU signed between ADB and Mastercard in Tbilisi, Georgia to promote financial and digital inclusion in the region through awareness raising, knowledge exchanges, best practices, and research.

At the 2024 United Nation's Climate Change Conference, PSOD also signed an MOU with Tata Power Company Limited to promote energy transition. The memorandum will see ADB support Tata Power in implementing energy transition, industrial emission reduction efforts, energy storage, and grid strengthening projects, while building resilience, promoting inclusiveness, and empowering women. During the same meeting, PSOD also signed a collaboration plan with ACWA Power Company, a leading private developer of renewable energy facilities, to work together on renewable energy, green hydrogen, and water desalination projects across ADB's developing member countries.

PSOD also entered into partnership with various entities through ADB's TSCFP to share risks in trade and expand trade and supply chain finance. Under ADB's trade finance partnership with British International Investment—the Government of the United Kingdom's development finance institution (DFI) and impact investor—ADB and British International Investment will enter into a risk-sharing agreement to help international banks increase their financing support to local banks. This initiative will be managed by the TSCFP. The partnership will initially focus on Viet Nam and support local importers of solar panels, wind turbines, EVs, and agricultural goods to support the region's transition to cleaner energy sources.

The first risk distribution agreements for supply chain finance transactions were also entered into with international insurers, Munich Re and Swiss Re, enhancing ADB's capacity to support more SMEs in critical sectors. Other agreements under the TSCFP were forged with Azerbaijan's Rabitabank OJSC and TuranBank OJSC, Armenia's ACBA Bank OJSC, Mongolia's Golomt Bank, Uzbekistan's National Bank of Uzbekistan, and Viet Nam's Fortune Vietnam Joint Stock Commercial Bank and Vietnam Joint Stock Commercial Bank for Industry and Trade, enabling them to help close market gaps for finance.

### **Partner Engagement**

PSOD maintained close ties with clients and partners through visits to several countries and by hosting meetings and receptions. A PSOD team visited Paris and Vienna in June, reaching out to stakeholders to discuss potential business opportunities and to seek support

for private capital mobilization. In Vienna, the team also participated in a roundtable discussion at the 25th anniversary of the OPEC Fund and shared specific deal examples of strategic partnerships that have resulted in strong development outcomes. A roundtable event with chief executive officers of PSOD's top 12 private sector clients in Viet Nam was held to explore opportunities for increased private sector collaboration.

Additionally, PSOD organized receptions in Singapore, Manila, and Washington, DC to show appreciation for ADB's partners and clients, which attracted more than 300 participants.

### **Harmonization Among Multilateral Development Banks**

PSOD continued to actively participate in discussions on the standardization and harmonization of private sector financing terms and indicators among multilateral development banks (MDBs) and DFIs. In 2024, It joined the steering committee of [Harmonized Indicators for Private Sector Operations](#), an initiative of DFIs working with the private sector to harmonize and improve impact measurement. ADB is a founding member of the Harmonized Indicators for Private Sector Operations.

PSOD also hosted the 12th Annual MDB Heads of Syndications meeting in September 2024, which was attended by heads of syndications and lawyers from eight MDBs and DFIs. The participants exchanged information on market developments, including insurance, along with sharing experiences and information on mobilization including changes to the MDB harmonized definition of direct mobilization.





# ADVANCING PRIORITIES THROUGH PRIVATE SECTOR OPERATIONS

**Organic vegetable farm, Lao PDR.** Financial inclusion, climate, food security, sustainable transport, and environmental infrastructure upgrades were key focus areas for private sector operations in 2024.

## Strategic Focus and Priority Areas

PSOD focuses its work on sectors and priority areas that can deliver significant development impacts and contribute to accelerated, sustainable, and inclusive growth. These operations support agribusiness projects across the food and agricultural value chain, with initiatives that promote food security, nutrition, resilience, and environmental sustainability. They provide funds to private financial institutions, enabling them to extend finance to SMEs, microenterprises, and for affordable housing. They target infrastructure development with investments in energy, transport, telecommunications, and water and other urban infrastructure and services sectors. Improving access to affordable, quality health care and education is another strategic priority. The strategic focus and priority areas for private sector operations have been guided by PSOD's Operational Plan for 2019–2024.

## Agribusiness

The agrifood system is a critical lifeline for 830 million people in Asia and the Pacific, providing 70% of employment<sup>3</sup> and contributing 39% of GDP across the region as of 2022.<sup>4</sup> However, it is also a significant contributor to GHG emissions, as well as high water use and biodiversity losses in the region.<sup>5</sup> Private sector operations in the agribusiness sector are closely aligned with ADB's priority to scale up investments for both short-term food needs and longer-term food security. This includes assistance to improve access to affordable food and to help agribusinesses adopt sustainable and resilient production processes, which were key features of projects in 2024 (Box 6).

<sup>3</sup> Food and Agriculture Organization of the United Nations. 2024. *Employment Indicators 2000–2022*.

<sup>4</sup> Food and Agriculture Organization of the United Nations. 2024. *Gross Domestic Product and Agriculture Value Added 2013–2022*.

<sup>5</sup> Food and Agriculture Organization of the United Nations. 2024. *Greenhouse Gas Emissions From Agrifood Systems: Global, Regional and Country Trends, 2000–2022*.



## BOX 6

## Delivering Sustainable, Secure Food Supplies

**From top, left to right: Worker at an Araz supermarket, Azerbaijan; Milking yaks with equipment supplied by APU Dairy, Mongolia; Oilseed factory workers, Bangladesh; Dali store, Philippines.** Private sector agribusiness projects in 2024 contributed to food security, employment, and environmental sustainability (photos by Araz Supermarket, Apu Dairy LLC, City Group, Dali).



Agribusiness investments made up 10% of project commitments by the Private Sector Operations Department in 2024, with projects in Azerbaijan, Bangladesh, Mongolia and the Philippines, making important contributions to food security and less carbon-intensive production.

The first ADB financing for a food retail company in Azerbaijan will boost the country's access to affordable and safe food and promote the adoption of measures to cut down greenhouse gas emissions in both the retail and agriculture sectors. An ADB 5-year loan in Azerbaijan manats, equivalent to \$10 million, to Araz Supermarket Limited Liability Company (Araz) will be used to build a new dry warehouse and 45 modern retail stores using modern energy-efficient equipment. An associated technical assistance grant of \$500,000 will be used to train 750 farmers, including at least 262 women, in sustainable agriculture techniques and financial literacy, and to develop at least two environmentally sustainable demonstration farms.

The [Veyselglu Modern Retail Expansion Project](#) is expected to result in the procurement of more than \$14 million worth of fruits, nuts, and vegetables from local farmers, integrating an additional 200 farmers into the company's supply chain. It is also projected to create more than 3,500 jobs with the expansion of Araz's warehouse facilities and opening of new stores and serve an additional 80,000 customers daily. ADB's loan provides Araz with the long-term financing needed for its expansion as well as helping the company to diversify its funding base. Araz, a supermarket chain, is a leading modern retailer in Azerbaijan with a 26% market share in 2023. All Araz stores have certification from the country's food safety agency, and as part of the project the company plans to obtain an international certificate for quality management systems by 2027.

The dairy sector plays an important role in Mongolia's overall food security with herders, many of whom live in remote rural

*continued on next page*

**Box 6 continued**

areas, depending on it for income and livelihoods. Mongolia produces around 800 million liters of raw milk annually, however, most is underutilized, with only 10% processed into finished products. An ADB loan of \$16.3 million to APU Dairy LLC, along with parallel cofinancing of \$20 million from the European Bank for Reconstruction and Development, will enable the company to build an energy-efficient factory, establish 25 new raw milk collection centers, and expand its processing and packaging capacity, improving the livelihoods of around 1,000 herders while creating around 320 jobs. The [APU Dairy Inclusive Value Chain Development Project](#) will also reduce the need for imports of dairy products.

A complementary ADB technical assistance grant of \$1.7 million will build the capacity of 400 cow herders and 120 yak herders on sustainable and resilient herd and pasture management techniques. APU Dairy is one of Mongolia's leading dairy producers.

The Philippines is heavily dependent on imported agricultural and other consumer products resulting in high-priced goods. ADB's second investment in Dali, a hard-discount retail store business in the Philippines, will further strengthen access to safe and affordable food and other consumer goods in underserved low- to middle-income rural and peri-urban communities, and improve corporate governance policies and processes at the board level. ADB's \$10 million equity injection in Singapore-based HDPM Sin Pte Ltd. (Dali) builds on its initial equity investment of \$15 million in 2023 and will enable the company to finance expansion of its network of retail stores and distribution centers, procure goods from local private label suppliers, and fund off-grid rooftop solar panels for its energy needs. Parallel financing of \$59.1 million has also been committed by investors including Creador IV L.P., Deutsche Investitions-und Entwicklungsgesellschaft mbH and Navegar II L.P.

The [Dali Modern Food Retail Expansion Project](#) will offer daily household products at discounted prices, and will provide a hygienic and convenient shopping environment. It will also support local supply chains and employment by collaborating with local suppliers on quality, packaging, and demand forecasting. By 2027, Dali will create 6,000 direct jobs, with 45% targeted for women, while the installation of off-grid solar power systems is projected to avoid annual greenhouse gas emissions of at least 3,480 tons of carbon dioxide equivalent.

An investment in a new energy-efficient oilseed crushing plant in Bangladesh will both strengthen domestic agro-processing capacity and cut carbon emissions in the food sector. ADB committed a \$10 million loan to Rupshi Seed Crushing Ltd. to construct a new, energy-efficient, multi-oilseed crushing plant near Dhaka. The plant, with a daily crushing capacity of 3,000 metric tons, will produce crude edible oil and oilseed cake. The plant will be able to switch between different oilseeds enabling it to better respond in case of failures to a particular oilseeds crop. It will produce around 1 million tons of processed oilseed products annually by 2026.

Using a state-of-the-art heat recovery system, the plant will reduce energy use by 9 kilowatt-hours per ton, compared with the company's existing equipment and avoid greenhouse gas emissions of 1,723 tons of carbon dioxide equivalent a year. The [City Energy-Efficient Oilseed Crushing Project](#) marks the first assistance by any development finance institution in City Group's oilseed business and directly contributes to the national government's priority of strengthening food security through improvements in domestic food production. Rupshi Seed Crushing Ltd. is part of City Group, one of the largest conglomerates and consumer goods manufacturers in Bangladesh.

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Source: Asian Development Bank (Private Sector Operations Department).

A second ADB-assisted agribusiness project in Bangladesh in 2024 will also bolster domestic food supplies and reduce carbon emissions. ADB committed a loan of \$20 million to Tanveer Dal Mill and Flour Mills Ltd. to purchase energy-efficient equipment for setting up a new wheat flour mill, with annual output of 660,000 metric tons. The [Meghna Energy-Efficient Flour Milling Project](#) will provide high-quality wheat flour in Bangladesh, countering existing shortages, with new (potentially) fortified products contributing to national nutritional gains. The equipment will consume 37% less energy than the company's existing plant machinery, resulting in the avoidance of GHG emissions of 8,200 tCO<sub>2</sub>e per year. Tanveer Dal Mill and Flour Mills Ltd. is an entity of the Meghna group, one of the largest conglomerates in Bangladesh, with leading market positions in flour, sugar, and edible oils. ADB's investment is the first by a DFI in the group's flour business, providing it with long-term foreign currency funding which is difficult to access locally.

In another part of South Asia, an ADB financing in India is helping ReNew Power Synergy Private Limited (ReNew Power Synergy) to sequester and mitigate carbon while promoting climate resilience of smallholder farming communities. An ADB debt financing of ₹260 million (\$3 million equivalent), together with a

grant of \$293,000 from the ADB-administered Climate Innovation and Development Fund, will finance the distribution and utilization of 200,000 energy-efficient improved cookstoves to reduce biomass consumption, GHGs, and indoor air pollution. ADB's financing will also support a biochar production facility with a capacity of 6,436 tons per year to improve soil health along with the planting of 22.5 million fruit and timber tree saplings to sequester carbon, while providing co-benefits to smallholder farmers. The initial effective amount of ₹260 million (\$3 million equivalent) will primarily be used toward agroforestry projects. The [ReNew Carbon Credits Financing Project](#) will avoid GHG emissions of at least 2.8 million tCO<sub>2</sub>e from fiscal year 2025 to 2029. It will also provide time savings and health improvements for women using the energy-efficient improved cookstoves.

The project will generate carbon credits that will be sold to buyers in the voluntary carbon market, with the revenue used by ReNew Power Synergy to service debt and promote sustainable development. ReNew Power Synergy is a unit of ReNew Private Limited, one of the largest renewable energy producers in India and a client of ADB since 2014. The project aligns closely with ADB's work in carbon markets where it has used carbon funds to purchase carbon credits from more than 100 projects



**An agroforestry site in Odisha.** A new ADB-financed project in India is supporting carbon mitigation and sequestration activities, including the planting of millions of trees.



in 13 DMCs, highlighting how this form of finance can incentivize carbon reduction efforts and benefit local communities. A complementary technical assistance grant of \$500,000 from ADB's Technical Assistance Special Fund will provide resources and training to build the capacity of smallholder farmers, including women, to become climate resilient, while a Climate Innovation and Development Fund grant will partly finance a pilot to develop up to 1,500 bioethanol-based cookstoves in Uttar Pradesh state, which is expected to provide a scalable business model for future replication.

A new ADB coffee value chain investment will support incomes and increase climate resilience for tens of thousands of smallholder farmers in India, Indonesia, Papua New Guinea, and Viet Nam. ADB committed a loan of \$100 million to ECOM Agroindustrial Corporation Limited and ECOM Agroindustrial Asia Private Limited, the world's largest coffee miller, for the [ECOM Climate-Resilient Coffee Value Chain Project](#). ADB's financing will be used as working capital covering inventories, receivables, and advances to farmers for coffee procurement, as well as for operating expenses for extension services, including training and research and development support. At least 15% of the financing will be utilized in Papua New Guinea. Technical assistance of \$1.25 million will be extended to support resilience building and sustainability practices for farmers in Papua New Guinea and Viet Nam.

The project will ensure farmers receive reliable incomes, allowing them to make sustainable agricultural investments in activities such as planting and managing shade trees and cover crops, and improving water and soil management practices. ADB's assistance will sustain ECOM as a reliable buyer of coffee from smallholder farmers as well helping it pursue its sustainability management

systems program, and activities to promote greater inclusion of women farmers in the supply chain. ADB's investment has been tagged as a social loan, in line with international social loan principles, with the project promoting food security, climate resilience, sustainable food systems, and empowerment. ADB previously committed a \$60 million loan to ECOM in 2021 to support procurement of coffee from farmers during the COVID-19 pandemic. ECOM works with more than 650,000 farmers in 40 countries as a global supply chain merchant and processor of agricultural commodities including cocoa, coffee, and cotton.

### Finance

MSMEs are the backbone of the economy in the Asia and Pacific region, representing 97% of all businesses, most private sector employment, and contributing about half of the region's private sector output.<sup>6</sup> Yet, MSMEs in developing countries face an annual multi-trillion dollar shortfall in funding for their needs, with women entrepreneurs and women-led business facing a credit gap of up to \$1.7 trillion.

ADB's private sector finance operations help fill the funding gaps by supporting trade and supply chain transactions and by investing in financial institutions to expand their operations in areas including financial inclusion, carbon reduction initiatives, and infrastructure services. Much of the emphasis is on helping nonbank financial institutions (NBFIs) increase lending to MSMEs, particularly those owned by women (WMSMEs) and operating in underserved rural areas. Greater financial inclusion plays an important role in reducing poverty, driving growth, stimulating innovation, and creating jobs in the region. In 2024, ADB committed 17 projects in the finance sector, contributing 29% of the total, with increased access to finance for underserved groups (Box 7), a central theme of those operations.

<sup>6</sup> Asia-Pacific Economic Cooperation (APEC). 2024. [Small and Medium Enterprises](#). APEC Secretariat.



## BOX 7

## Financing Underserved Groups



**From top, left to right:**  
**Farmer, Thailand;**  
**Silk weaver, India;**  
**Hamkorbank branch,**  
**Uzbekistan; Ipak**  
**Yuli Bank branch,**  
**Uzbekistan.** Increasing  
 access to finance for  
 underserved groups  
 was a major component  
 of private sector  
 operations in 2024.

An ADB loan to Shriram Finance Limited (SFL) in India will expand funding for micro, small, and medium-sized enterprises (MSMEs) in underserved segments and markets, helping them grow their businesses. The assistance will also support MSMEs to purchase electric and low-emission vehicles compliant with the Bharat Stage VI standards. ADB has committed a loan of up to \$150 million to SFL, which also received parallel financing of \$150 million from the Japan International Cooperation Agency and ₹500 million from the Export-Import Bank of India (India EXIM). The loans will contribute to poverty reduction and financial inclusion by providing SFL access to longer-tenor funding needed to boost its lending to MSMEs, particularly women-led or owned small and medium-sized enterprises (WMSMEs) and those in lagging states, which continue to face substantial challenges in accessing financial services. Up to 75% of ADB's loan proceeds will be allocated for onlending to MSMEs, of which at least 15% will finance WMSMEs and at least 25% will be deployed for MSMEs in lagging states. Moreover,

at least 25% of the loan proceeds will be allocated for electric vehicle financing. The [Shriram Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprises Project](#) will enhance SFL's capacity to support pollution prevention by strategically driving the adoption of electric and low-emission vehicles in India. SFL, a member of the Shriram Group and an existing ADB client, is one of the largest nonbank financial institutions in India. It boasts a diversified portfolio and is the market leader in commercial vehicle financing.

In Thailand, around 99% of companies are MSMEs, with WMSMEs representing almost 60% of them. However, the current financing gap for MSMEs in the country is estimated at \$41 billion, or 10.3% of gross domestic product (GDP), with WMSMEs accounting for \$37 billion of the gap. ADB committed a Thai-baht-denominated loan of \$150 million equivalent to Ngern Tid Lor Public Company Limited (NTL), marking ADB's first private sector loan through the finance sector in Thailand.

*continued on next page*

**Box 7 continued**

The [Ngern Tid Lor Access to Finance for Rural Women and Agribusiness Micro, Small, and Medium-Sized Enterprises Project](#) will finance Thailand's underserved MSMEs in rural areas only, with 75% for MSMEs owned and led by women and 25% for those operating within the nation's agricultural value chain. A complementary ADB technical assistance grant has also been extended to NTL to develop a social finance framework for future bond issuances ensuring they are aligned with the Association of Southeast Asian Nations social bond principles which define eligible projects and regular reporting requirements. NTL, a nonbank financial institution affiliated with Bank of Ayudhya, specializes in providing title-based loans to self-employed MSMEs and unsalaried workers, secured against movable assets rather than real property. This is ADB's first local currency loan to a private sector financial institution in Thailand.

Nearly half a million MSMEs in Uzbekistan contributed over half of GDP and almost three-quarters of all jobs in the country in 2023, but they remain underfunded, especially WMSMEs. Two banks that have a significant footprint in the MSME sector have received loans from ADB to expand their operations with a focus on women-led businesses and those adopting environment-friendly technologies. In 2024, ADB committed sum-denominated loans of approximately \$97.5 million to Joint Stock Commercial Bank with Foreign Capital (JSCB) Hamkorbank (HKB) and Joint Stock Innovation Commercial Bank (JSICB) Ipak Yuli (IYB), the third- and fourth-largest private banks in Uzbekistan.

At least 20% of the total loan proceeds for both banks will be allocated for WMSMEs and at least 10% will go to enterprises investing in environment-friendly technologies.

The [Hamkorbank Supporting Sustainable and Inclusive Access to Finance Project](#) will see at least 80% of HKB's loan proceeds going to MSMEs outside Tashkent, while the [Bank Ipak Yuli Supporting Sustainable and Inclusive Access to Finance Project](#) will allocate at least 60% of its loan for enterprises outside the capital. HKB has a strong rural footprint in the MSME sector, while IYB is focused on urban MSMEs, with both looking to build up their operations in areas including digitized services and eco-friendly technology financing. ADB's medium-term local currency loans provide a much-needed source of local currency finance for HKB and IYB, which they would otherwise struggle to obtain due to competition from larger banks and market caution in investing in sum.

The [Bogd Bank Financing Micro, Small and Medium-Sized Enterprises and Promoting Green Lending Activities Project](#) in Mongolia will deliver necessary growth funds for MSMEs as well as helping them adopt environment-friendly business practices. ADB committed a \$14 million loan from its own resources and a \$1 million loan from the Canadian Climate Fund for the Private Sector in Asia II (CFPS II), a fund it administers, to Bogd Bank JSC, the first publicly listed bank on the Mongolian Stock Exchange. As of end of 2022, two-thirds of Bogd Bank's portfolio was made up of loans to MSMEs and the retail sector. The project is ADB's first private sector finance project in Mongolia to provide blended financing for financial institutions, encouraging sustainable practices, such as purchasing energy-efficient equipment and small-scale renewable energy systems. The project will help avoid greenhouse gas emissions of around 200 tons of carbon dioxide equivalent per year. It will also support women's empowerment by setting women-specific targets for lending and help Bogd Bank expand outreach to WMSMEs, offer new financial products, and provide a business support service for women entrepreneurs.

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Source: Asian Development Bank (Private Sector Operations Department).

In another finance sector transaction in Mongolia, ADB has invested in the country's fourth-largest commercial bank with the dual goal of bolstering its sustainable and MSME lending operations. ADB committed a \$40 million loan and will administer a \$10 million loan from the Canadian Climate and Nature Fund for the Private Sector in Asia, in a blended finance package for XacBank Joint Stock Company (XacBank). The proceeds will be extended to borrowers for resilient and sustainable activities, with the remainder allocated to finance MSMEs. ADB's financing for the [Xacbank Bank Supporting Climate and Inclusive Finance Project](#) complements its proposed programmatic policy-based lending, which is aimed at delivering longer-term institutional and policy reforms in Mongolia that will accelerate and sustain climate-focused investments, especially from the private sector.

XacBank has an existing relationship with ADB through two previous loans and a facility under ADB's trade finance program, and the new funding will enable it to further grow its sustainable finance and MSME portfolio. By 2028, the project will avoid GHG emissions of at least 55,000 tCO<sub>2</sub>e annually. ADB is also providing technical assistance to XacBank to strengthen its capacity for extending green loans and to raise its knowledge on sustainable finance best practices, with the project incorporating a comprehensive plan that includes development of a new sustainable banking product specifically targeted at women entrepreneurs.

India's need for finance to grow the affordable homes market for women and underserved segments of the economy has been given a boost from an ADB Indian-rupee-denominated loan of \$70 million equivalent to Vastu Housing Finance Corporation (VHFCL). VHFCL offers affordable housing and property loans in 14 states, with over 80% of its portfolio in semiurban and rural areas. ADB's loan provides long-term funding it needs to grow its business. A full 90% of ADB's loan proceeds will go to the economically weaker segment and low-income groups, where the borrowers or co-borrowers are female. At least 15% of the loans will go to new-to-credit borrowers, and at least 50% to borrowers in lagging states, with the remaining 10% used to provide sustainable housing loans.

India faces a housing shortfall of 45 million units for economically weaker communities and 50 million units for low-income groups, with the two groups accounting for 95% of the country's overall housing deficit. The [Vastu Housing Supporting Access to Finance for Lower-Income Housing and Sustainable Housing Project](#) addresses this critical shortage while promoting eco-friendly housing. It is the first project supporting the financing of certified self-constructed sustainable housing in India. VHFCL is one of the few affordable housing companies that have incorporated sustainability in their loan origination process with the piloting of a certified sustainable housing loan product.



**Manju Meghwal, beneficiary of an ADB urban development program in Rajasthan, India.** ADB assistance in 2024 will enable Vastu Housing Finance Corporation to scale up lending for affordable homes to low-income borrowers, with women a key target group.



In a sustainable finance initiative in India, ADB invested \$25 million in a certified climate bond issued by Vivriti Capital Limited. The company will use the proceeds for onlending to enterprises and retail borrowers engaged in EVs, renewable energy, and waste management, with at least 30% of the proceeds earmarked for EV financing, including charging and battery-swapping stations and the purchase of new vehicles. The bond, certified by the Climate Bonds Initiative, is the first certified climate bond issued by a medium-sized NBFIs in India, and is likely to encourage other NBFIs to develop sustainable finance frameworks and issue climate bonds or loans. ADB's investment in the [Vivriti Capital Climate Finance Project](#) also provides longer-term funding that Vivriti Capital Limited needs to match the underlying loans for its sustainable finance activities and to support its asset-liability matching profile.

ADB committed \$75 million equity to [Creador VI, L.P. \(Creador VI\)](#), a regional private equity fund that will invest growth capital in profitable companies operating in India and Southeast Asia across business services, consumer goods, health care, financial services, and manufacturing sectors. The fund's investments will enable middle-market companies to scale their operations, introduce new products and services, and expand into new markets. The fund manager, Creador, continues to work with ADB to enhance environmental and social considerations in its operations, including monitoring and reporting on relevant metrics annually. ADB's prior commitments to three earlier Creador funds have

facilitated the transformation of the fund manager from a primarily commercial investor to one increasingly focused climate metrics the environmental and social practices of its investee companies.

Kazakhstan has 2 million registered MSMEs, employing almost half of the total labor force and contributing over a third of the country's GDP. However, they lack access to credit, with WMSMEs especially disadvantaged. An ADB tenge-denominated loan of \$5 million equivalent to Arnur Credit Limited Liability Company (Arnur Credit) will be used to boost the availability of finance to MSMEs, contributing to entrepreneurship, new jobs, and poverty reduction. At least half of the proceeds will go to WMSMEs, with at least 10% targeted for sustainable loans for businesses to purchase energy-efficient equipment and to install small-scale renewable energy systems. Arnur Credit is a leading microfinance institution in Kazakhstan and the [Arnur Credit Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprise Borrowers Project](#) will inject much-needed capital into the sector, giving entrepreneurs funds to grow their businesses and assistance to reduce carbon emissions, contributing to a more sustainable and equitable economy.

In Viet Nam, SMEs, which account for 40% of the GDP and half of all employment, struggle to secure financing. [The Lien Viet Post Joint Stock Commercial Bank \(LPB\) Expanding Access to Finance for Women-Owned Small and Medium-Sized Enterprises Project](#) is set to benefit thousands of underserved SMEs, with a strong

#### Market stalls, Almaty.

An ADB microfinance project in Kazakhstan aims to expand lending for women-led small businesses and green business activities.







**Eugene Corpuz, owner of a small eatery in Cagayan de Oro, Philippines.** ADB is assisting Asialink Finance Corporation to expand lending to small businesses in the Philippines, including for clients like Corpuz who has received funding from the company for working capital and to buy a small property for her business (photo by Asialink Finance).

focus on women-owned enterprises. An ADB loan of \$30 million, along with parallel cofinance of \$50 million from the state-owned Export-Import Bank of China and Netherlands-based asset management company ILX Fund, has been extended to LPB to design new products and procedures to enhance its support to WSMEs. A \$750,000 performance-based grant from We-Fi will also help LPB develop new financial products targeted at women, introduce advisory services for WSMEs, and put in place a sex-disaggregated data management system. ADB's presence in the project helped catalyze the finance from both commercial and state-owned sources, as well as the deployment of the performance-based grant from We-Fi, which is the third ADB private sector transaction to draw funding from it.

In the Philippines, ADB is leading the financing for a project that will promote financial inclusion and help narrow the funding gap for SMEs, especially WSMEs. ADB has provided a peso-denominated loan of \$50 million equivalent to Asialink Finance Corporation (AFC), for the [Asialink Promoting Small and Medium-Sized Enterprise Financing through Secured Vehicle Lending Project](#). As a mandated lead arranger, bookrunner, and structuring bank, ADB mobilized about \$85 million from HSBC and Security Bank. ADB is the first DFI to lend to AFC. The loan proceeds will allow AFC—the Philippines'

leading NBFI in secured SME lending using vehicles as collateral—to extend additional working capital to SMEs and entrepreneurs.

The financing gap for MSMEs in the Philippines is estimated at up to ₱180 billion. The project will provide an important new source of growth finance for SMEs, particularly WSMEs and female entrepreneurs who face greater hurdles in accessing funds and financial services. The project includes a plan under which AFC has committed to launch a product or service specifically tailored for WSMEs and female entrepreneurs, as well as introducing measures to tackle sexual harassment in the workplace and promote a more gender-responsive work environment. AFC, which has 250 branches nationwide, is looking to increase its market share in SME loans.

In Thailand, ADB invested \$40 million equivalent in the initial public offering of the Thai Credit Retail Bank Public Company Limited (TCRB), coming in as a cornerstone investor in TCRB's Initial Public Offering. TCRB, will use the proceeds to convert into a fully fledged commercial bank, giving it growth capital to expand lending to the MSME, nanofinance, and microfinance markets, as well as further digitizing its operations with the launch of a mobile banking application. Parallel cofinancing of \$176 million has been provided by the International

Finance Corporation and other financing partners for the [TCRB Expanding Access to Finance for Micro, Small and Medium-Sized Enterprises Project](#). ADB is the first DFI to make an equity investment in TCRB. It is also ADB's first equity investment and first transaction with a Thai financial institution. ADB has worked with TCRB to put in place a plan that seeks to increase annual loan disbursements to female customers, and develop a new financial product tailored to single female heads of households with dependent children. In addition, ADB will be conducting comprehensive corporate governance due diligence on TCRB's corporate secretarial and internal control frameworks, which will form the basis of a corporate governance action plan to be implemented by the company.

An ADB equity investment of \$50 million in private credit fund [Keppel Private Credit Fund III, LP](#) (KPCF III) will promote the development of Asia's nascent private credit market and deliver much-needed infrastructure finance for the region. KPCF III is an infrastructure-focused fund managed by Singapore-based fund manager Keppel Credit that aims to support 15 to 20 mid-market borrowers in Asia and the Pacific, particularly in South Asia and Southeast Asia. Developing Asia currently receives less than half the \$1.7 trillion needed annually for infrastructure investments to maintain growth, eradicate poverty, and respond to environmental challenges. Mid-market companies in Asia often struggle to secure non-dilutive

growth financing because of banks' reluctance or inability to provide customized capital solutions, compounded by the underdevelopment of the region's corporate bond markets. Private credit, a flexible and accessible form of financing, can meet the funding needs of mid-market companies but is not yet widely available in the region. The primary goals of the ADB transaction are to support the development of Asia's private credit market, and address the region's infrastructure financing gap in an environmentally sensitive manner with a gender lens.

### Energy

Asia houses 90% of coal-fired power plants younger than 20 years old and contributes 25% of annual global GHGs.<sup>7</sup> However, the region faces considerable challenges securing the necessary investments for sustainable and resilient projects, particularly for small energy companies. Improving access to energy for all, developing sustainable, and inclusive energy infrastructure, and expanding the use of renewable energy resources in Asia and the Pacific is central to PSOD's strategic commitment to reduce and adapt to the impact of environmental changes. In 2024, private sector commitments for clean energy projects made up 26% of the total, the second-largest sector. The year saw investments in Azerbaijan, Bangladesh, and Indonesia, along with transactions in the People's Republic of China (PRC) and the Philippines, which support diverse renewable energy solutions to ensure energy security and promote environmental sustainability (Box 8).

**Fruit and flower vendor, Bangkok, Thailand.** ADB's first equity investment in a Thai financial institution will allow Thai Credit Retail Bank to become a full-fledged commercial bank and scale up lending to underserved small businesses and individuals.



<sup>7</sup> ADB. 2024. [Energy Transition Mechanism](#).



## BOX 8

## Transforming the Energy Sector Through Renewable Energy Solutions

**From top, left to right: Solar panels, India; Wind turbines, People's Republic of China; Geothermal power plant workers, Indonesia; Solar and battery energy storage construction site, Uzbekistan.**

Transactions to develop clean energy solutions made up the second-largest sector for project commitments in 2024 (photos by ADB, Fourth Energy Partner, and Nur Bukhara Solar PV Foreign Enterprise LLC).



ADB tapped into multiple energy sources and technologies for enhancing clean energy production, storage, and distribution in 2024 to transform the energy sector, improve energy security, and support sustainable economic growth.

Wind power development in the People's Republic of China (PRC) has typically focused on remote large-scale wind farms, with long distance transmission systems leading to high electricity costs and unstable power supply. ADB has extended a yuan-denominated loan of \$54.2 million equivalent to Huaneng Tiancheng Financial Leasing Company Limited, a leading green financial leasing provider in the PRC, for the development and operation of distributed wind energy plants in the country. Due to the smaller wind turbines, distributed wind energy plants generate electricity close to the point of use, reducing centralized grid dependence, lowering outage risks, and improving energy efficiency and cost-effectiveness by minimizing transmission losses. The [Huaneng Tiancheng Distributed Wind Energy Climate Finance Project](#) will exclude

several western and northern provinces where installed wind energy generation capacity exceeds local demand, and faces grid curtailment of wind power generation.

The project is a viable model for financing distributed wind projects that aggregate small subprojects from villages, industrial parks, and transport corridors. This is ADB's first private sector loan to a financial institution for distributed wind energy infrastructure, and ADB is the first development finance institution to lend to the company. Huaneng Tiancheng Financial Leasing Company Limited is a major PRC financier of renewable energy projects in wind, solar, and hydropower, and had previously participated indirectly in an ADB sovereign project to scale up investments in green development in the Beijing–Tianjin–Hebei region.

In Indonesia, ADB's loan of \$38.8 million to PT Supreme Energy Muara Laboh for the [Muara Laboh Geothermal Power Project Stage 2](#), will reduce reliance on coal-fired power plants and promote sustainability by tapping into the nation's geothermal

*continued on next page*

**Box 8** *continued*

resources, which are the world's largest by potential. ADB's financing will develop a geothermal field and an approximately 83-megawatt (MW) power plant that will operate in conjunction with the existing first stage facility financed by ADB through the Muara Laboh Geothermal Power Project (Muara Laboh Stage 1) in 2017.

ADB acted as the lead structuring bank for the transaction, mobilizing private commercial capital with uncovered project risk for the first time in Indonesia's greenfield geothermal independent power producer (IPP) sector. The financing package includes a \$38.8 million syndicated B loan from Sumitomo Mitsui Banking Corporation with ADB acting as the lender on record and a concessional loan of \$15 million from the ADB-administered Australian Climate Finance Partnership. The transaction follows three previous ADB-financed private sector projects in Indonesia including the first stage of Muara Laboh. The plants will generate 643,409 megawatt-hours (MWh) of electricity annually, while avoiding greenhouse gas (GHG) emissions of 433,980 tons of carbon dioxide equivalent (tCO<sub>2</sub>e) a year from 2028 to 2052. PT Supreme Energy Muara Laboh is a special purpose joint venture made up of Japanese trading company, Sumitomo Corporation, Japan's largest energy exploration and production business; INPEX Corporation; and Indonesian geothermal power developer, PT Supreme Energy.

ADB and cofinancing partners are developing Central Asia's first renewable power plant with a utility-scale battery energy storage facility through the [Bukhara Solar and Battery Storage Project](#). The introduction of the large-scale battery system allows electricity to be stored and delivered on demand, reducing grid instability and facilitating the integration of solar resources. ADB's financing will build a 250 MW solar power plant and a battery energy storage facility with 126 MWh of energy-storing capacity in Uzbekistan's Bukhara region, along with a 220-kilovolt substation and a 0.3-kilometer transmission line to connect to the grid. The plant will also use advanced solar photovoltaic technology to boost power output and reduce the per hour cost of electricity generation, resulting in competitive energy tariffs. The facility will have the capacity to deliver 555 GWh of clean energy a year by 2025, along with helping avoid GHG emissions of 309,604 tCO<sub>2</sub>e.

The financing to Nur Bukhara Solar PV Foreign Enterprise LLC (Nur Bukhara) includes ADB's \$26.5 million loan and a

\$20 million concessional loan from the ADB-administered Leading Asia's Private Infrastructure Fund 2, a \$26.5 million parallel loan from the Japan International Cooperation Agency, and parallel cofinancing of \$53.1 million each from the International Finance Corporation and the Dutch Entrepreneurial Development Bank-FMO. Nur Bukhara is a special purpose vehicle of the Abu Dhabi Future Energy Company Private JSC, known as Masdar, the Government of Abu Dhabi's main vehicle for investing in global renewable energy and sustainable infrastructure projects. ADB and Masdar have been partners on renewable energy projects since 2020.

ADB made an Indian-rupee-denominated equity investment of \$70 million equivalent in Fourth Partner Energy Private Limited (FPEL), one of India's leading IPPs, to advance the reduction of carbon emissions in the commercial and industrial sector in India and select Southeast Asian countries. The [Commercial and Industrial Decarbonization Project](#) will support utility-scale solar, solar-wind hybrid, and rooftop solar power development, replacing existing grid power which is primarily thermal. It will also facilitate commercial and industrial offtakers to switch to clean energy sources and help them meet their emission targets at a lower cost. The project will deliver 3.8 million MWh of clean energy a year directly to its commercial and industrial customers, reducing dependence on fossil fuels while avoiding GHG emissions of 3.1 million tCO<sub>2</sub>e by 2028. It is aligned with the Government of India's goal of reaching 500 gigawatts of renewable energy capacity by 2030, with 50% of electric power coming from nonfossil fuel sources.

ADB also mobilized an equity investment of \$30 million from Leading Asia's Private Infrastructure Fund 2 and facilitated \$50 million from Deutsche Investitions- und Entwicklungsgesellschaft. As part of its agreement with ADB, FPEL committed to carrying out a corporate governance action plan, which focuses on the development of environment, social, and corporate governance policies and procedures. FPEL has also committed to implement a plan that seeks to enhance women's participation in the renewable energy sector in India. ADB's financing is critical as ADB has provided patient equity capital, which is not easily available in India. ADB's involvement in the project is expected to encourage future lending from domestic and international institutions to IPPs in the commercial and industrial sector. This is the first investment of Leading Asia's Private Infrastructure Fund 2 since its establishment in December 2023.





**Solar farm in Bangladesh, operated by Joules Power Limited.** ADB arranged financing for a private sector utility-scale solar energy plant that will fill a gap in power generation capacity in Bangladesh, while improving the nation's energy mix (photo by Muktagacha Solartech Energy Limited).

In Bangladesh, ADB led the financing for a solar power plant to advance sustainable energy solutions in the country. When completed, the [Muktagacha Solar Power Project](#) will be one of the initial utility-scale private sector solar power projects in the country to be financed by international lenders. As sole mandated lead arranger, ADB mobilized financing of \$24.3 million to Muktagacha Solartech Energy Limited to build a 20 MW grid-connected solar photovoltaic power plant in Mymensingh region. The funds include a \$15.5 million loan from ADB and an \$8.8 million loan from Leading Asia's Private Infrastructure Fund 2, administered by ADB. Muktagacha Solartech Energy Limited is a special purpose vehicle of Bangladesh-based Joules Power Limited, which has a portfolio of renewable power assets. The project will generate 37.9 GWh of electricity per year and avoid GHG emissions of 18,344 tCO<sub>2</sub>e annually. As of August 2024, renewables made up just 4.5% of the energy mix in Bangladesh.

By providing long-term financing for renewable energy projects, ADB is filling a critical gap in the domestic market and creating a bankable precedent to encourage private sector participation in clean energy.

The [Buskowitz Rooftop Solar Project](#) in the Philippines adopts a new financing structure that aggregates multiple and diverse rooftop solar projects within a single portfolio, effectively diversifying risks. ADB's local currency loan equivalent to \$12 million to Buskowitz Solar Incorporated, a special purpose vehicle of Buskowitz Energy Incorporated, supports the development, construction, and operation of up to 70 MW of rooftop solar panel systems on commercial and industrial buildings in the Philippines. The project focuses on urban areas outside Metro Manila in Luzon, including Bulacan, Laguna, Pampanga, and Pangasinan; Visayas (Bacolod); and Mindanao (Misamis Oriental and Zamboanga). The project will deliver an average of 88 GWh of electricity annually to offtakers and avoid GHG emissions of 54,347 tCO<sub>2</sub>e annually. The Philippine National Bank has provided a parallel peso-denominated loan of \$24 million equivalent to the project, which demonstrates the viability of commercial rooftop solar energy systems in the Philippines.

Meanwhile, investments by ADB in two solar power projects in Azerbaijan will give a substantial boost to the national government's GHG emissions reductions

**Rooftop solar panels,  
San Carlos Town  
Center, Philippines.**

An ADB-assisted solar project aims to demonstrate the viability of commercial rooftop solar investments in the Philippines (photo by Buskowitz Energy).



targets and push to diversify its energy mix away from a traditional reliance on natural gas. ADB has committed a \$33.5 million loan to Banka Solar SPV Limited Liability Company (Banka) to finance a 315 MW grid-connected solar power plant, and a \$48 million loan to Bilasuvar Solar SPV Limited Liability Company (Bilasuvur), which will construct a 445 MW capacity solar plant. The [Banka Solar Power Project](#) includes cofinancing of \$32.3 million, while the [Bilasuvur Solar Power Project](#) received cofinancing of \$46.1 million, all from Leading Asia's Private Infrastructure Fund 2.

Collectively, the two projects will be the first (Bilasuvur) and second (Banka) largest solar power developments in Azerbaijan, with Banka delivering 634,207 MWh and Bilasuvar 893 GWh of stable, competitively priced electricity a year, while avoiding GHG emissions of a combined 729,124 tCO<sub>2</sub>e annually. By harnessing Azerbaijan's solar potential, the two projects are enhancing the country's energy security and providing a model for sustainable development that can be replicated across the region. The two projects will have a demonstration effect for future private sector participation in other renewable energy projects in Azerbaijan. The projects are the second and third private sector renewable energy transactions supported by ADB in Azerbaijan, with the borrowing entities majority controlled by Abu Dhabi Future Energy

Company (Masdar). Masdar is the Government of Abu Dhabi's main vehicle for investing in global renewable energy and sustainable development projects, and ADB has previously financed seven Masdar transactions, with six in Uzbekistan and one in Azerbaijan.

ADB's private sector investments also include upgrading existing power systems to strengthen energy security and expand access to electricity, while improving energy efficiency, reducing pollution, and integrating power from renewable sources. In 2024, the bank made its first investment in the power transmission subsector in Kazakhstan extending a tenge-denominated loan of \$122.5 million equivalent to Joint Stock Company Kazakhstan Electricity Grid Operating Company (KEGOC) for the expansion of a high-voltage transmission network in the south of the country. ADB's financing will support the construction of 500-kilovolt (kV) overhead transmission lines, and upgrades of the Shu, Jambyl, and Shymkent 500 kV southern substations.

The [KEGOC Renewable Energy Supporting Grid Expansion Project](#) will eliminate overloading of the grid, reduce power transmission losses, and ensure the system can efficiently integrate power from renewable energy facilities. Upgrading transmission systems is essential to accommodate energy generated by large-scale renewable power plants planned by



Kazakhstan. ADB will tap into the insights gained from the technical assistance it provided to KEGOC in 2017 for power system planning under a Central West Asia program to draw up priority measures for optimizing power systems, making them attractive to investors and enabling them to efficiently integrate energy from renewable sources on competitive terms. It is ADB's fourth energy sector project in Kazakhstan.

In the PRC, an ADB investment to rehabilitate natural gas distribution systems will also contribute to reductions in GHG emissions. ADB extended a yuan-denominated loan of \$72 million equivalent to Henan Tian Lun Gas Group Limited (HTL) for the [Henan Tian Lun Safety Enhancement and Methane Leakage Reduction Project](#). The company is a subsidiary of Tian Lun Gas Holdings Limited, one of the largest gas distribution companies in Henan, with operations in other provinces as well.

The loan proceeds will fund the rehabilitation of 10 city gas projects across five provinces. Along with replacing degraded infrastructure, the project will introduce data gathering and monitoring systems that include gas leak sensors and smart meters to provide real-time information to the company, resulting in more efficient and safe gas networks. By reducing methane

emissions, a GHG up to 80 times more potent than carbon dioxide, HTL expects to avoid GHG emissions of at least 190,000 tCO<sub>2</sub>e per year by 2029, directly contributing to the PRC's Paris Agreement commitment to cut emissions and promote energy efficiency and savings. Long-term finance for rehabilitating energy networks is unavailable from domestic banks in the PRC, so ADB's loan provides an essential line of funding for HTL to undertake system improvements across a fragmented portfolio of assets. ADB's loan is certified as a green loan, which requires the borrower to provide periodic reports on reductions of GHG emissions. The project builds on prior ADB assistance to HTL under which it provided working capital financing in 2021 to enable the company to maintain gas supplies during the COVID-19 pandemic.

### Industry

Reducing carbon emissions of industries is an important element of PSOD's strategic focus and the department worked closely with a wide range of partners to develop projects that can make significant contributions to low-carbon development in the private sector. In 2024, PSOD made investments to promote emissions reduction in major industries and sectors in Bangladesh (Box 9) and India through the adoption of sustainable, energy-efficient, low-carbon technologies.



#### **City gas distribution network, People's Republic of China.**

The ADB-financed rehabilitation of natural gas distribution systems in Henan Province will reduce methane leaks and deliver safer, more efficient gas supplies.

## BOX 9

## Helping Industry Cut Carbon Emissions

**Operator at an  
Ananta Group factory,  
Bangladesh.**

ADB is financing a factory and new energy-efficient equipment that will enable the Bangladeshi garment maker to cut carbon emissions while generating new jobs (photo by Ananta Knitwear Limited).



An ADB private sector investment in Bangladesh will reduce carbon emissions from the country's textile industry, a major contributor to the economy. The [Ananta Sustainable and Energy-Efficient Fabric Manufacturing Project](#) will also provide a model, demonstrating sustainable solutions for Bangladesh's ready-made garment (RMG) industry. As the mandated lead arranger, ADB mobilized a financing package comprising a \$20 million loan from its own resources and a B loan of \$20 million from the ILX Fund for Ananta Knitwear Limited (AKL). The proceeds of the loans will be used by AKL to finance the construction of a factory meeting international green building standards, and to purchase and install new automated digital equipment that reduces power consumption in the production process.

AKL is the first factory in Bangladesh producing synthetic knitted fabrics for the lingerie and activewear segments. The introduction of the new machinery will enable AKL to deliver garments to global apparel brands with shorter lead time and

avoid greenhouse gas emissions of at least 4,900 tons of carbon dioxide equivalent annually, while also reducing water consumption in the production process. The project will generate 200 jobs during the construction phase and 1,000 jobs when the factory begins production. Fabrics produced under the project will be used by AKL's group company in the Ananta Group one of the largest exporters of RMGs in the country, or by various RMG manufacturers within Bangladesh.

The RMG industry accounts for over 80% of Bangladesh's total export earnings. It is the world's second-largest exporter of RMG, and the project is expected to have a strong demonstration effect for the industry, potentially prompting new investments allowing it to become more environment-friendly, sustainable, and competitive. ADB's provision of long-term US dollar financing helped address a key financing constraint, with longer-term funding for private sector companies difficult to source from local and international commercial banks. As lead arranger, ADB also mobilized the B loan.



## Transport

Developing urban public transport that is sustainable, safe, and accessible is essential for ensuring cities remain key engines of growth, job creation, and development for the region. PSOD is engaged in a number of groundbreaking low-emission public transport projects with recent transactions, including Southeast Asia's first commercial electric ferry fleet in Thailand and Viet Nam's first public transport electric bus fleet. This focus continued in 2024, with two electric bus projects in India and an electric *tuktuk* (auto rickshaw) initiative in Thailand (Box 10).

ADB also made investments to expand the use of EVs in the Philippines and Indonesia. EV development in the Philippines has been hindered by a number of factors including a lack of electric vehicle charging stations (EVCS) and limited financing options. Indonesia, which has Southeast Asia's largest automotive market, faces significant GHG emissions from the transport sector.

ADB's first private sector transaction in the EV industry in Indonesia will finance an integrated electric motorcycle (e-motorcycles) ecosystem, which will support the nation's efforts to promote the use of clean energy-powered vehicles and reduce emissions from the transport sector.

ADB has committed a \$10 million loan—comprising \$5 million from its own resources and another \$5 million from a fund administered by the Australian Climate Finance Partnership—to PT TBS Energi Utama Tbk (TBS) for the [TBS Integrated Electric Motorcycles Ecosystem Project](#). The proceeds will be used by TBS to purchase

e-motorcycles and batteries and install battery-swapping stations across the country. The project will encourage a shift from fuel-based to e-motorcycles, resulting in the avoidance of GHG emissions of about 123,000 tCO<sub>2</sub>e a year. The project can demonstrate the commercial viability of e-motorcycles and encourage further investments to boost their adoption.

The Philippines' push to expand the use of EVs and cut the carbon intensity of its transport sector is getting a major boost from an ADB-assisted private sector project that will finance EVCS and promote EV sales across the country. ADB's \$85 million loan combined with a \$15 million concessional loan from the Canadian Climate and Nature Fund for the Private Sector in Asia to Ayala Corporation will enable Ayala Corporation to install EVCS across the Philippines, as well as procure EVs from a range of manufacturers. The company has committed to source at least 40% of the electricity used in the charging network from renewable energy sources.

The [Ayala Electric Mobility Ecosystem Project](#) will support nationwide expansion of EVCS and is expected to avoid annual GHG emissions of at least 11,000 tCO<sub>2</sub>e by 2027. Its innovative pricing structure linked to the achievement of the EVCS installation target will encourage Ayala Corporation to accelerate deployment of EVCS infrastructure. ADB has built up a strong relationship with the Ayala Group since 2019, supporting its renewable energy investments across Southeast Asia, but the project is the first direct transaction with Ayala Corporation, which holds the group's automotive subsidiary, AC Mobility Holdings Incorporated.



**Electric vehicle charging hub, Philippines.** ADB assistance for development of electric vehicle charging stations in the Philippines is expected to promote sales of electric vehicles across the country (photo by Ayala Corporation).

## BOX 10

## Driving Low-Emission Public Transport Services in Asia



**From top: Electric buses, India; Electric tuk-tuk, Thailand.** ADB made important private sector contributions to low-carbon transport services in India and Thailand in 2024 (photo by ADB and JBM Ecolife Mobility Private Limited).

The projects in the Indian states of Haryana and Odisha are part of measures to modernize public transportation systems by deploying sustainable electric bus fleets. Under the JBM Odisha Electric Bus Financing Project and JBM Haryana Electric Bus Financing Project financed by ADB, JBM Ecolife Mobility Private Limited (JBM Ecolife) and its subsidiaries, will deliver up to 650 electric buses (e-buses) in aggregate. ADB's financing will support the purchase, operation, and maintenance of the e-buses and the associated depot and charging infrastructure in Odisha and Haryana. The projects are being implemented through a public-private partnership.

The [JBM Haryana Electric Bus Financing Project](#) will deliver up to 450 e-buses, along with depots and charging infrastructure in Haryana, while in Odisha the [JBM Odisha Electric Bus Financing Project](#) will finance 200 buses. Collectively, the projects will avoid annual greenhouse gas emissions of 21,051 tons of carbon dioxide equivalent with at least 30% of electricity needs for the buses targeted from renewable sources by 2028. They will incorporate safety and accessibility

features such as closed-circuit television monitoring and safety protocols for women, along with action plans that will promote job opportunities for women and more equitable workplaces.

ADB is funding the projects by subscribing to Indian rupee nonconvertible debentures issued by JBM Ecolife, with the equivalent of \$29.8 million invested in Haryana and \$13.4 million equivalent in Odisha. The Asian Infrastructure Investment Bank is providing parallel financing of \$29.8 million for Haryana and \$13.4 million for Odisha. A scarcity of long-term local currency finance in the Indian market and a limited lender base for e-bus projects meant ADB's assistance has been key to getting the projects off the ground. Road transport dominates passenger trips in India, but public transport makes up just 7% of all the trips made, significantly lower than the global average. The Government of India has a strategy to scale up electric vehicles for both private and public use with the goal of having 40% of all buses running on electricity by 2030, and the two projects directly support this target.

*continued on next page*

**Box 10** *continued*

In Southeast Asia, Thailand has a goal to cut its greenhouse gas emissions by 30%–40% from a business-as-usual level, by 2030, requiring a major shift to low-carbon modes of transport. Innovative solutions such as electric vehicles for microscale transit can ease the transition from fossil fuels. *Tuktuks* (auto rickshaws) in Thailand play a significant role in bridging first- and last-mile transport gaps, and in response to the need for cleaner transport systems, ADB is financing a fleet of electric *tuktuks* for use in the capital, Bangkok. ADB's Thai-baht-denominated loan, equivalent to \$67.4 million, and administration of a concessional loan of \$10.7 million from the Clean Technology Fund to BANPU Public Company Limited (BANPU), will be used to finance and/or refinance up to 1,500 electric *tuktuks* and associated charging stations, with the

vehicles to be operated by Urban Mobility Tech Company Limited along 12 major routes in Bangkok.

Proceeds will also allow BANPU to expand its lithium-ion battery plant in Jiangsu Province in the People's Republic of China. The [BANPU Electric Tuktuks and Battery Project](#) is expected to avoid greenhouse gas emissions of at least 2,944 tons of carbon dioxide equivalent annually. By extending a baht-denominated loan along with the concessional assistance, ADB mitigated the capital risks associated with financing electric *tuktuks*. The project is expected to have a strong demonstration effect, setting a benchmark for funding and implementation of similar electric vehicle fleets both within Thailand and across Southeast Asia.

Source: Asian Development Bank (Private Sector Operations Department).

### Water and Other Urban Infrastructure and Services

Access to safe, affordable water, and other urban infrastructure and services is essential for public health and economic and social development. ADB's private sector investments aim to assist client companies to develop sustainable infrastructure and services, including water supplies, wastewater treatment, and affordable homes for underserved groups.

An ADB \$5 million loan to Lhoopa, Inc. for the [Lhoopa Promoting Green Affordable Housing Project](#) provides an innovative financing solution to boost affordable housing for average income earners in the Philippines.

The project will help reduce the country's housing shortage. ADB's loan is tailored to business needs of the small-scale but rapidly expanding company. This is ADB's first private sector infrastructure project to use a revolving credit facility with performance-linked credit limit step-ups, which enables Lhoopa to repay and withdraw the loan as needed. The project will expand the availability of safe, sustainable, resilient, and affordable housing in Philippines, and help avoid GHG emissions of at least 167,110 tCO<sub>2</sub>e annually.

ADB introduced Lhoopa to Excellence in Design for Greater Efficiencies (EDGE) certification to ensure new homes incorporate energy efficiencies and



#### Waste management workers, People's Republic of China.

An ADB waste-to-energy project aims to provide a model for private businesses operating in the sector to follow (photo by Canvest Environmental Protection Group Company Limited).



eco-considerations in the designs. Lhoopa has committed to ensuring at least 25% of the new units to be sold will have EDGE certification. Lhoopa focuses exclusively on the affordable housing market, and since 2018 has provided homes to about 10,000 Filipinos, with 51% of the buyers women. In 2020, Lhoopa became the first nontraditional developer in the Philippines to be accredited by the Home Development Mutual Fund (Pag-IBIG), a government entity which provides financing for affordable housing.

The [Canvest Waste Management Project in PRC](#) will support waste management projects in the PRC, enhancing recycling and supporting circular economy principles. ADB committed \$50.5 million equivalent in yuan to Canvest Environmental Protection Group Company Limited (Canvest), the proceeds of which will help Canvest to develop, construct, and operate a waste-to-energy plant at Huizhou City in Guangdong Province, and to expand municipal solid waste management services in Quyang County in Hebei Province and Dangshan County in Anhui Province. Private sector participation in waste management is still nascent in the PRC and the project will demonstrate the viability of supporting municipal solid waste management and waste to energy under an integrated approach, while contributing to low-carbon development from increases in efficiency and recycling. Canvest is a leading provider of waste management

services in the PRC, providing a range of services across the municipal solid waste value chain including cleaning, segregation, collection, transportation, sorting, recycling, and energy generation.

### Education and Health

Strong education and health services underpin sustainable and inclusive, development and under its Operational Plan 2019–2024, PSOD has sought opportunities to build up its social sector investment portfolio.

In 2024, ADB supported the health and education sectors through equity investments in regional focused private equity funds, as well as through a fund targeting businesses in the PRC, along with project loan investments in India and the PRC.

ADB's \$20 million equity investment in [Jungle Ventures V, L.P.](#), a multisector venture capital fund, will support early-stage investments in India, Indonesia, the Philippines, Thailand, and Viet Nam, supporting the growth of promising startups and emerging companies. The investment aims to drive innovation and technological advancements, resulting in greater financial inclusion, SME empowerment, better access to health care and education, and lower carbon intensity. ADB's collaboration with Jungle Ventures will also integrate a gender lens into the investment activities

#### Women enjoying leisure time, Jakarta.

An ADB investment in venture capital fund, Jungle Ventures V, L.P. includes a provision for the adoption of a gender lens approach that will ensure gender considerations are incorporated in the fund's investment decisions.







**Rice farmer inspecting his crop, Viet Nam.**

A regionally focused private equity fund has received an ADB investment that will allow it to provide capital to companies delivering innovative business solutions in areas including sustainable food and agriculture.

of the fund and workplace practices of Jungle Ventures. ADB's collaboration with Jungle Ventures will also integrate a gender lens into the investment activities of the fund and workplace practices of Jungle Ventures.

ADB has made a \$20 million equity investment in [ABC Impact Fund II LP](#), (ABC Impact II) to provide growth capital to innovative companies engaged in activities advancing sustainable development in Asia, particularly in the PRC, India, Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam. ABC Impact II, a regionally focused private equity impact fund sponsored by Temasek, the Government of Singapore's investment company, is the only active and institutionally backed impact fund dedicated to the growth of impact-driven companies in developing Asia. It will invest in companies engaged in promoting better health care and education, financial and digital inclusion, sustainable food and agriculture, and environment and water solutions. As part of its investment, ADB will help the fund promote gender lens investing and adopt climate change policy in line with international standards.

ADB's \$20 million equity investment in [Lakeshore III, L.P.](#) will enhance the availability of equity capital for middle-market companies in Thailand, with potential reach into Viet Nam, Cambodia, and the Lao PDR. The fund's investments will be deployed in sectors such as health, food, pharmaceuticals, retail, software,

consumer services, manufacturing, and education, which are benefiting from Thailand's growing middle class, aging population, and maturing economy. ADB's investment will support the fund's investee companies in launching new products, entering new markets, and adopting new technologies. The investment establishes a new general partner relationship with Lakeshore Capital, reinforcing ADB's commitment to regional growth and development in Southeast Asia.

ADB committed up to \$40 million in [CDH VGC Fund III, L.P.](#), a private equity fund which will target companies that provide solutions to pressing developmental challenges facing the PRC, such as an aging population, increasing disease burden, quality of growth, and environmental degradation. CDH VGC Fund III, L.P. will use the proceeds to invest in 20–30 early-growth stage businesses, operating mainly in the health care, enterprise solutions, technology, and consumer sectors. ADB's financing will support the financial, social, and environmental sustainability of the fund's investments. The investment is ADB's second in a CDH-managed fund, following ADB's \$30 million commitment to the fund's predecessor fund.

In the education sector, ADB's private sector focus is on improving access to affordable, quality services and training for skills development. Investments in 2024 targeted measures to help private sector education service providers make their operations more resilient (Box 11).

## BOX 11

## Sustainable Education Services

**Left to right:**  
ADB-financed  
school building site,  
Mongolia; Participants  
at signing agreement  
for the China  
Education Group  
Climate Adaptive  
Education Project,  
People's Republic  
of China. (photos by  
Orchlon School and  
Kindergarten Complex  
LLC and ADB).



ADB committed its first private sector investment in education in Mongolia with a loan to Orchlon School and Kindergarten Complex LLC (Orchlon), the largest private K–12 school in Mongolia and the only one providing a dual curriculum. This financing supports the country's first internationally certified green campus. Proceeds of a long-term \$13.4 million equivalent togrog-denominated loan to Orchlon will be used to construct and operate a four-floor school annex, with the new campus incorporating features to reduce emissions and enhance resilience, including water-efficient sanitary systems, eco-friendly construction materials, and enhanced insulation to avoid heat loss in extreme winter conditions. By supporting Orchlon, ADB is enhancing educational infrastructure while promoting environmental sustainability and resilience.

Under the [Orchlon School Green Campus Expansion Project](#), the new campus will receive an Excellence in Design for Greater Efficiencies certificate, making it the first internationally certified green campus in Mongolia. The project will demonstrate the feasibility of constructing environmentally sustainable buildings in harsh climates, paving the way for similar infrastructure development. The project will also introduce modern laboratories for science, arts, and engineering, and provide high-quality online educational videos for students and teachers, particularly in underserved or low-income areas. This will improve knowledge and learning standards at the institution, which offers Mongolian and Cambridge International Education-accredited curricula, supporting students who wish to further studies locally or abroad.

The PRC's goal of delivering sustainable and resilient infrastructure and market-relevant education is getting a push from an investment in one of its leading higher vocational education providers. ADB is extending a yuan-denominated loan of \$98.3 million to Yantai Institute of Science and Technology (Yantai) and China Education Group Holdings Limited for the [China Education Group Climate Adaptive Education Project](#). The financing includes a \$79.4 million parallel loan from the Asian Infrastructure Investment Bank and \$20 million C loan from commercial sources. Proceeds from ADB's loan will help Yantai to construct the first phase of its new campus in the Yantai Economic and Technological Development Zone with features such as rain harvesting facilities, water recycling, floodwalls, and absorptive landscaping installed in the new campus by 2025. China Education Group Holdings Limited will use the proceeds for debt refinancing to maintain the operations of its institutes.

The financing will allow Yantai to expand courses into silver and green economy sectors such as health services, robotics engineering, automation, and intelligent manufacturing, and also enable a learning environment supportive of women. The new Yantai campus is expected to provide an environment-friendly development model that offers the potential for replication by other educational institutions. China Education Group Holdings Limited is the largest private provider of higher vocational education in the PRC, while Yantai provides higher education courses out of its campus in the province of Shandong.



**Doctor with patient at an Ankura medical facility, India.**

An ADB loan to Ankura Medical & Research Centre will enable the health care provider to expand and improve facilities and services targeted at women and children (photo by Ankura Medical & Research Centre Private Limited).

A large hospital network expansion project in India supported by ADB will help boost a private sector-driven expansion of health care facilities focused on women and children. ADB committed a \$19.4 million equivalent loan in Indian rupees to Ankura Medical & Research Centre Private Limited (AMPL), a company that operates 14 maternal and child health hospitals in emerging and small cities across the states of Andhra Pradesh, Telangana, Maharashtra, and Odisha. AMPL will use the proceeds to add five new hospitals with 520 beds, upgrade existing facilities, install solar power systems, and boost its training capacity.

The [Ankura Women and Children Hospitals Expansion Project](#) will address inequities in the distribution and availability of maternal and child health care with smaller cities having fewer and lower-quality services. It will promote the use of health services by low-income groups, with at least three of the new facilities to be empaneled under the Pradhan Mantri Jan Arogya Yojana government health insurance program and other similar programs. ADB has also designed a gender action plan to enhance participation of women in AMPL's labor force, creating a safer and more equitable work environment

which is expected to set standards for other smaller hospital operators to follow.

### Information and Communication Technology

ADB is supporting Armenia in improving its communication services and infrastructure to provide municipal and rural settlements with at least 80% broadband (fiber optic) communication. ADB committed an anchor investment of \$18.5 million in the first sustainability-linked bond in Armenia issued by Telecom Armenia OJSC (Telecom Armenia). The [Telecom Armenia Sustainability-Linked Bond Project](#) will assist the company's digital infrastructure expansion and improve mobile and internet services amid growing demand for high-speed connectivity. Proceeds of the bond will be used to upgrade telecom infrastructure, including mobile core and IP networks, expansion of EV charging stations, and refinancing of debt. This transaction led by ADB is Telecom's Armenia's first bond issuance in Armenia and the first sustainability-linked bond listed on the Armenia Stock Exchange. The transaction is a key milestone in the development of Armenia's environmental, social, and governance-themed capital bond market, and will contribute to the creation of a more resilient and sustainable digital infrastructure.

### Alignment with Strategy 2030 and Key Contributions

The PSOD Operational Plan for 2019 to 2024, which is aligned with Strategy 2030, sets out how private sector operations can best contribute to ADB's mission. The plan lays out PSOD strategies and priority areas for investments that can deliver maximum development effectiveness, promote innovation, boost regional cooperation, and attract cofinancing support. This includes investments in new and challenging sectors such as agribusiness, education, health, information and communication technology, and transport, as well as in frontier markets, including economies in fragile and conflict-affected situations and small island developing states. Using creative financing structures to make projects bankable and attractive to private investors, tapping debt instruments such as green and sustainability-linked bonds, and investing in private equity funds to broaden operational impacts, are important elements of the plan.

Strategy 2030 defines ADB's mission, setting out its operational priorities for assisting Asia and the Pacific to become a prosperous, inclusive, resilient, and sustainable region. These priorities include addressing remaining poverty and reducing inequalities; accelerating progress in gender equality; tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability; making cities more livable; promoting rural development and food security; strengthening governance and institutional capacity; and fostering regional cooperation and integration.

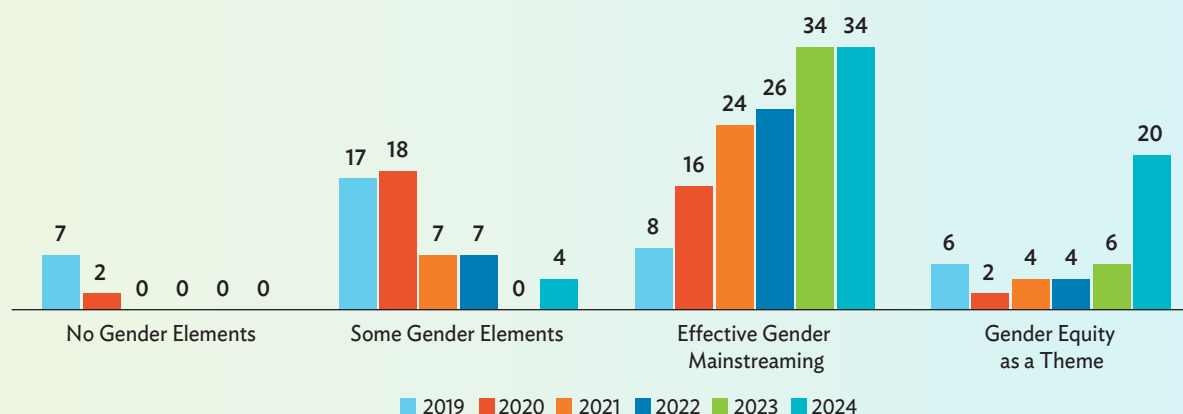
### Addressing Remaining Poverty and Reducing Inequalities

Projects to address remaining poverty and reduce inequalities have ranged from 37 out of 38 committed projects (97%) in 2019 to 38 out of 58 committed projects (66%) in 2024. This included investments providing much needed capital to businesses to maintain operations and preserve jobs during the COVID-19 pandemic. Assistance for small holder farmers and low-income microborrowers were other areas where private sector operations made substantial contributions to poverty reduction over the course of the operational plan.

### Accelerating Progress in Gender Equality

Women in Asia and the Pacific continue to face obstacles to equality in many forms including education, employment, and access to finance and financial services. They are also more vulnerable to conflicts, violence, and climate change. These imbalances undermine the region's economic progress and inclusive development. Private sector projects between 2019 and 2024 have been heavily focused on accelerating progress on gender equality and female empowerment, with the percentage of projects incorporating this priority rising from 31 out of 38 committed projects (82%) to 58 out of 58 committed projects (100%). In 2024, all 58 committed projects contained gender elements (Figure 5). Much of the focus has been on financial inclusion projects, which are boosting access to finance for women-owned enterprises and female entrepreneurs, enabling them to maintain and expand their businesses, increase incomes, and take advantage of new opportunities. Project action plans for

**Figure 5: Private Sector Projects Committed by Gender Classification, 2019–2024**



Source: Asian Development Bank (Private Sector Operations Department).



women’s empowerment and inclusion have included jobs targeted for women, often in areas where they are typically underrepresented, while innovative financing arrangements and instruments, such as gender bonds, have been tapped to maximize the impact of private sector operations on women and girls.

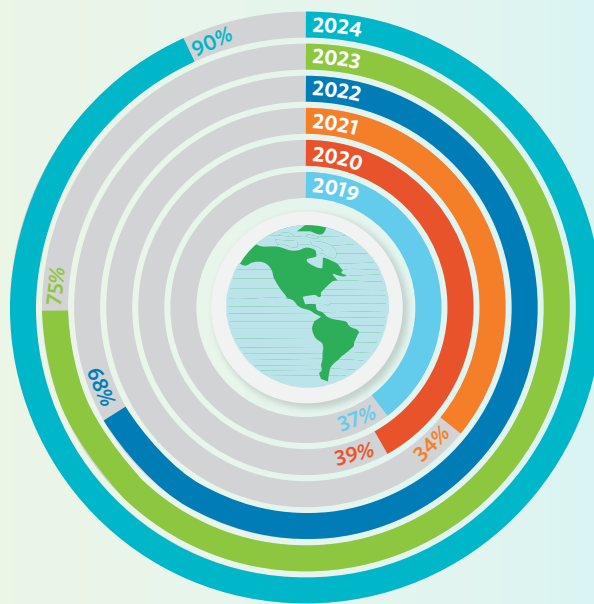
### Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

Addressing worsening pressures on the environment has become the most important strategic priority of ADB as it poses the greatest threat to sustainable development progress in the region. The region contributes more than half of global GHGs and remains offtrack in meeting Paris Agreement targets on emissions reductions.<sup>8</sup> ADB has increased its ambition for climate finance and sees the private sector as a critical partner both

to fill funding gaps and drive innovations needed to address environmental challenges. PSOD has responded to ADB’s ambition by increasing the percentage of its projects contributing to climate mitigation and adaptation from 15 out of 38 committed projects (39%) in 2019 to 51 out of 58 committed projects (88%) in 2024. In 2024, the percentage of projects with climate financing reached 90%, from 75% in 2023 (Figure 6). These have included many landmark projects to expand the use of renewable energy resources, including the use of floating solar panels, and to decarbonize commercial and industrial enterprises, along with investments to turn waste into energy, recycle waste plastics, and promote environmental resilience in agriculture. During the course of the operational plan, private sector operations have seen an increasing use of green and blue loans, as well as sustainability-linked bonds to advance ADB’s climate action mandate.

**Figure 6: Share of Committed Private Sector Projects with Climate Financing, 2019–2024**

(%)



Source: Asian Development Bank (Private Sector Operations Department).

<sup>8</sup> ADB. 2024. [Strategy 2030 Midterm Review](#). pp. 4–5.

### **Making Cities More Livable**

Developing Asia has some of the largest cities in the world, and while urban centers have become key hubs for economic growth and job creation, their fast-paced expansion has been accompanied by pollution, traffic congestion, inadequate infrastructure, and unequal access to housing and social services. ADB's private sector operations aim to make cities more livable, inclusive, sustainable, and resilient, and during the term of the PSOD operational plan, investments were made in environmental infrastructure, including water and wastewater systems; low-emission public transport, including a first-of-its-kind electric ferry service in Bangkok; and development of EVs and charging stations. Financing was also provided for health care and education for underserved groups, as well as for affordable, energy-efficient homes. From 2019 to 2024, private sector transactions for this priority rose from 6 out of 38 committed projects (16%) to 15 out of 58 committed projects (26%).

### **Promoting Rural Development and Food Security**

Securing adequate food supplies and making agricultural production systems more environmentally sustainable have been crucial priorities for ADB in the face of the COVID-19 pandemic and worsening environmental challenges. Private sector operations during the operational plan period have made important investments in agribusinesses that have helped ensure uninterrupted supplies of food, supported jobs and incomes in the rural sector, and introduced sustainable and resilient agricultural practices. Projects supporting rural development and food security ranged from 14 out of 38 projects (37%) in 2019 to 11 out of 58 projects (19%) in 2024.

### **Strengthening Governance and Institutional Capacity**

Strong corporate governance and institutions underpin sustainable and inclusive development, and private sector operations contribute to this priority in multiple ways including helping businesses develop strong

governance frameworks that incorporate gender equality considerations along with environmental and social safeguards. Over the course of the operational plan, the percentage of operations contributing to this priority rose from 1 out of 38 projects (3%) in 2019 to 4 out of 58 projects (7%) in 2024. This included the completion in 2024 of a comprehensive corporate governance assessment of the corporate, secretarial, and internal control frameworks of a publicly listed Indonesian manufacturing company, and the introduction of recommendations for corporate governance improvements on the above frameworks. ADB will continue to support the company through implementation of these improvements and will include staff training. Since 2019, PSOD has been rolling out a regional technical assistance project that has conducted corporate governance assessments for both its targeted and existing ADB client-investee companies, to improve corporate governance standards and implement corporate governance action plans that aim to achieve alignment with international best practices.

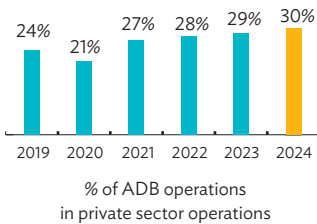
### **Fostering Regional Cooperation and Integration**

Regional cooperation and integration in areas including trade, finance, transport, energy, and public goods has a powerful multiplier effect on economic growth and the reduction of development gaps across borders. Private sector operations support this priority through project investments and the Trade and Supply Chain Finance Program (TSCFP). From 2019 to 2024, projects with a regional component ranged from 7 out of 38 projects (18%) in 2019 to a high of 8 out of 35 projects (23%) in 2021, before dropping back to 2 out of 58 projects (3%) in 2024 as private sector operations prioritized sustainable development measures. These transactions have included investments in private equity funds providing growth capital to companies across Asia, a project to upgrade a terminal at India's largest shipping container that is expected to create new cross-border trade opportunities, and assistance for agribusiness companies with operations across Asia that are benefiting tens of thousands of farmers.

# Private Sector Operations in 2024

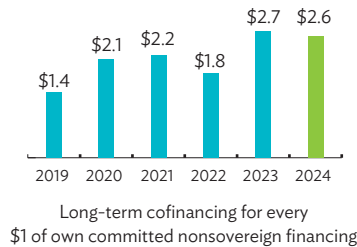
## Private Sector Operations

**30%** of total ADB operations



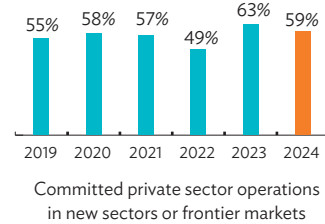
## Cofinancing Leverage

**\$2.6** for every \$1 committed



## New Sectors and Frontier Markets

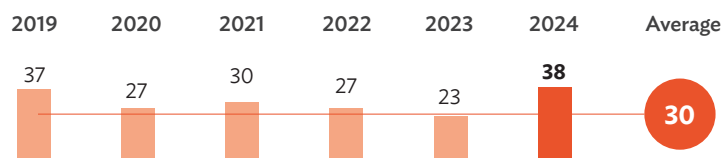
**59%** of committed operations



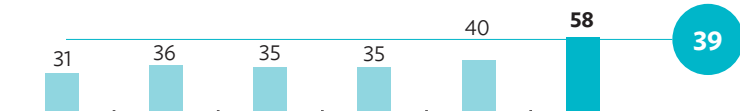
## Number of Committed Projects Addressing ADB's Operational Priorities



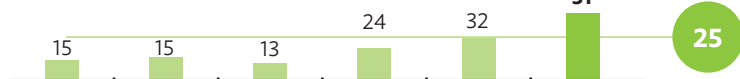
Addressing Remaining Poverty and Reducing Inequalities



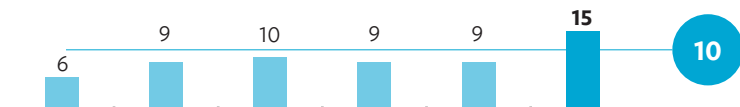
Accelerating Progress in Gender Equality



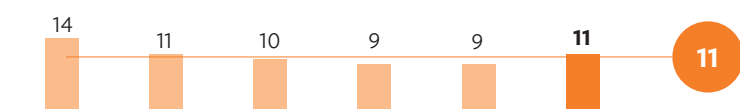
Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability



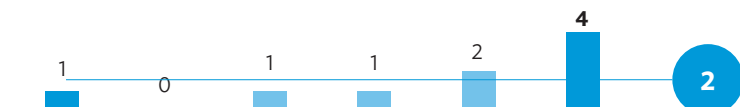
Making Cities More Livable



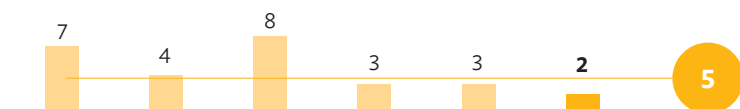
Promoting Rural Development and Food Security



Strengthening Governance and Institutional Capacity



Fostering Regional Cooperation and Integration







# ENHANCING DEVELOPMENT EFFECTIVENESS

**Bus driver, Tajikistan.**  
Increasing job opportunities and access to finance for women remained an important strategic priority of private sector operations in 2024.

## Monitoring and Measuring Development Results

PSOD uses a range of tools to monitor and measure the development effectiveness of its work, with the goal of ensuring its operations are delivering their intended results and are fully aligned with ADB's corporate priorities. These include the Development Effectiveness Flag, which helps identify projects at risk of not achieving their development results targets, and the Ex Ante Development Impact Framework, which is part of an end-to-end assessment system of projects from entry point to early operating maturity.

In 2024, 11% of projects in the active portfolio that have not completed the extended annual review report were assessed as at risk of not achieving their intended development results, down from 17% in 2023, and below the target of 20%.

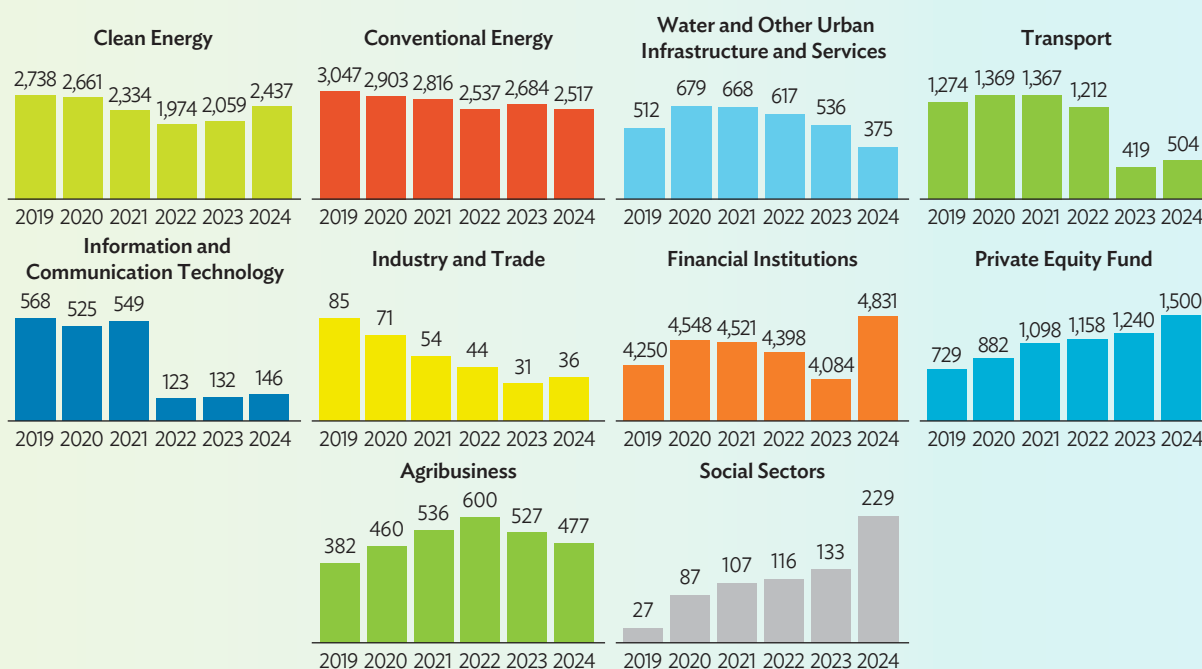
The PSOD portfolio of active projects details total project commitments as well as sector contributions. It reflects targets identified in expected development results, which represent contributions to the operational priorities of Strategy 2030 and the United Nations Sustainable Development Goals. For 2019 to 2024,

the portfolio shows that commitments to financial institutions made up the largest sector percentage at 37%, followed by conventional energy, clean energy, and private equity funds. Water and other urban infrastructure and services made up 3% of the total, with agribusiness and transport each contributing 4% (Figure 7).

From 2019 to 2024, transactions supporting financial institutions have assisted 44.3 million MSMEs, of which 42.3 million are female-owned. In the energy sector, projects have delivered 70,208 GWh of electricity a year and provided access to a power supply to 1.1 million households. Operations promoting decarbonization of businesses and industries have helped avoid GHG emissions of 23.5 million tCO<sub>2</sub>e a year.

Water, sanitation, and housing transactions have delivered almost 570.4 million cubic meters of potable water a year, treated 11.3 million tons of waste a year, and constructed and improved 252,059 houses, while agribusiness projects have assisted 8.7 million farmers and delivered 894,915 tons of food. Transport investments have produced 8,275 EVs and installed 3,095 EV charging stations (EVCS).

**Figure 7: Private Sector Operations Department's Portfolio, 2019–2024**  
(\$ million)



Note: Figures are rounded off.

Source: Asian Development Bank (Private Sector Operations Department).

In the social sectors, education projects have benefited 78,026 students and health transactions have reached 5 million patients. In information and communication technology, projects have reached 827,895 subscribers.

Projects in the active portfolio that have made substantial contributions to Strategy 2030 and the Sustainable Development Goals include an ADB equity investment of €45 million in CreditAccess Asia, a company operating microfinance institutions across South Asia and Southeast Asia, with women comprising most of the clients. Access to finance in developing Asia remains a major challenge, particularly for women, and ADB's investment provided CreditAccess Asia with capital to strengthen existing subsidiaries and grow its operations, supporting financial inclusion, women's empowerment and private sector development. The [Equity Investment in CreditAccess Asia \(Regional\) Project](#) delivered

benefits to 4.6 million MSMEs, with all output targets met or surpassed. The number of female microloan clients rose from 1.9 million in 2016 to 4.6 million in 2024, with the total outstanding portfolio of microloans to women clients growing from €490 million to €1.96 billion between 2016 and 2022.

In India, an ADB commitment of \$30 million to Smartchem Technologies Ltd for the [Smartchem Climate-Smart High-Efficiency Crop Nutrition Project](#) has delivered benefits to 1 million farmers. The project, which has supported the adoption of enhanced efficiency specialty fertilizers, including slow-release and water-soluble products, has boosted agricultural productivity while reducing water and soil contamination, resulting in greater food security and increased incomes for farmers. A related ADB technical assistance of \$225,000 has helped 1,800 farmers learn climate-resilient soil management and financial skills.

## Results Delivered by Private Sector Operations Department's Active Portfolio as of 2024



**8,275**

Electric vehicles  
produced



**23.5**

million tCO<sub>2</sub>e/year  
GHG emissions reduced

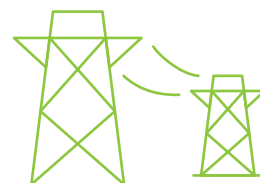
**3,095**

Electric vehicle  
charging  
infrastructure  
installed



**20,923 MW**

Generation capacity



**70,208**

GWh Power delivered



**4.6  
million**

Households with  
access to water



**252,059**

Houses built/improved

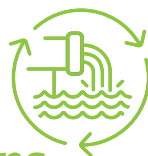


**1.1 million**

Households with access to power

**11.3  
million tons**

Waste treated



**570 million m<sup>3</sup>**

Volume of drinking water produced

**5.6 million  
tons**

Bulk cargo



**\$2,597  
million**

Payment to government



**\$8,884  
million**

Domestic purchases

**618.5  
million**

Personal hygiene  
products produced for  
women and infants

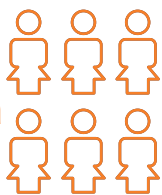


**42.3  
million**

MSME beneficiaries (female)



**1.1 million**  
Women trained



**5 million**  
Patients reached



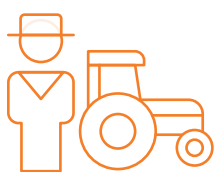
**894,915 tons**

Agricultural products produced (food)

**1.5 million tons**



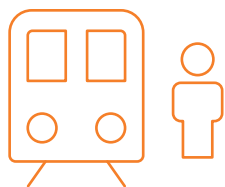
Agricultural products produced (nonfood)



**8.7 million**  
Farmers reached

**826,784**

Workers employed

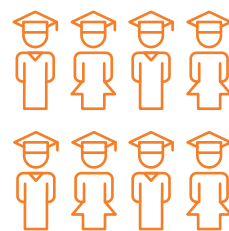
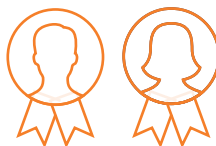


**37.9 million**

Passengers reached

**1.4 million**

People trained



**78,026**

Students reached

**827,895 million**

Telecom subscribers reached

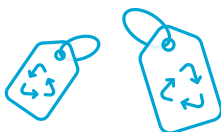


**145,629**

Workers employed (female)



**405,890**  
Sustainable product/service



**44.3 million**  
MSME beneficiaries



An ADB investment of \$50 million in Gulf PD Company Limited to finance construction of a 2,500 MW power plant in Rayong Province, Thailand, is helping to avoid GHG emissions of 769,731 tCO<sub>2</sub>e a year. The [Eastern Economic Corridor Independent Power Project](#) also received funding from Leading Asia's Private Infrastructure Fund and commercial cofinanciers. Along with cutting harmful GHG emissions, the combined cycle gas turbine plant is contributing to the national government's goal of having the Eastern Economic Corridor become a key driver of economic growth and industrial transformation for the country.

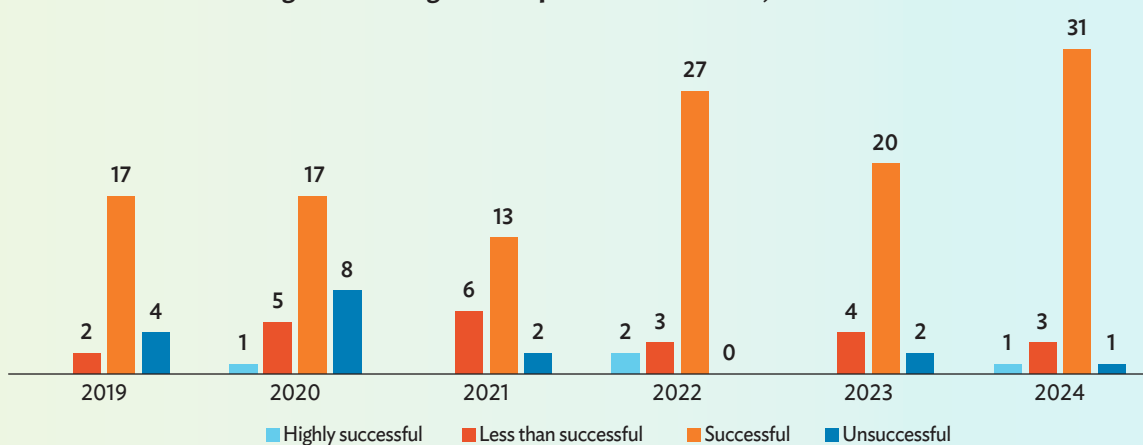
### Findings from Post-Completion Evaluations

Extended annual review reports enable PSOD to evaluate the development results of its completed transactions, as well as other elements, including ADB additionality, work quality, and investment profitability. Ratings for 36 completed transactions approved

during 2008–2021, showed 31 were successful, 1 was highly successful, 3 were less than successful, and 1 was unsuccessful (Figure 8). These ratings undergo independent evaluation and validation by ADB's Independent Evaluation Department.

Among the extended annual review reports released over the year were reviews of a landmark wind farm project in Viet Nam, an agribusiness investment in one of Azerbaijan's largest food and beverage distributors and manufacturers, a financial inclusion project in India, and a water plant investment in one of Viet Nam's fastest-growing provinces (Box 12). These projects are making important contributions to development in areas including renewable energy capacity, protection of smallholder farmer livelihoods and food security during the COVID-19 pandemic, expanding access to finance for women and small businesses, and improving infrastructure to deliver safe and affordable water supplies.

**Figure 8: Ratings of Completed Transactions, 2019–2024**



Source: Asian Development Bank (Private Sector Operations Department).

## BOX 12

## Delivering Development Results

**From top, left to right: Wind turbines, Viet Nam; Water and sanitation project beneficiaries, India; Crops, Azerbaijan; Composting plant, Viet Nam.** Extended annual review reports released in 2024 included projects in Azerbaijan, India, and Viet Nam that met or exceeded performance targets (all photos by ADB except composting plant by Binh Duong Water Environment JSC).



An ADB-led transaction to develop three wind farms in Viet Nam, under the [Lotus Wind Power Project](#), is providing broad development impacts, including sharply expanding the country's renewable energy capacity as well as generating both direct and indirect jobs, supporting local businesses and boosting economic output. The project, which was approved in 2021 with an ADB loan of \$35 million, along with cofinancing of \$138 million, is ADB's first investment in wind power in Viet Nam, and is projected to increase the country's wind power generation capacity by nearly 30% from a 2019 baseline.

The extended annual review report found that all outcome and output performance targets have been met with 144 megawatts of total generating capacity achieved in 2021 and greenhouse gas emissions of 173,502

tons of carbon dioxide equivalent avoided in 2023. ADB catalyzed cofinancing at a ratio of almost \$4 for every \$1 dollar of its own investment, mitigating costs and risks associated with developing one of Viet Nam's first international limited recourse financed wind projects.

In its first private sector agribusiness investment in Azerbaijan, ADB committed a \$5.9 million loan to Avrora Limited Liability Company, the country's third-largest food and beverage distributor and manufacturer. This working capital loan gave the company liquidity during the pandemic to make advance payments to suppliers and extend credit to customers. This support ensured continued provision of food products to more than 2 million people as well as protecting the livelihoods of thousands of Avrora employees, supplier farmers, and farm workers and retailers.

*continued on next page*



**Box 12** *continued*

The [Avrora COVID-19 Staple Food Supply Chain Project](#) significantly exceeded most performance targets under the design and monitoring framework, including annual sales of wheat-based and dairy products; the number of company employees, including women; the number of farmers providing raw materials; and the number of retailers distributing Avrora's products. ADB's investment also included measures to strengthen Avrora's corporate governance and increase the number of women in its workforce, while the 3-year loan provided critical finance at a time when local banks were reluctant to lend amid the pandemic.

Increasing access to finance for groups and in areas that find it difficult to source formal funds is an important development priority of the Government of India and of ADB. In response to this need, ADB in 2018 approved debt and equity investments totaling \$50 million in Annapurna Finance Private Limited to extend microfinance loans to micro and small enterprises, women customers, and for affordable housing in states where formal funding has traditionally lagged. Annapurna Finance Private Limited was chosen for assistance due to its successful track record of serving the needs of women, primarily in rural areas; its wide geographic reach; sound finances; and need for long-term funds to support growth.

The [Supporting Access to Finance for Women in Rural Areas Project](#) met or almost met all output and outcome performance goals. This included exceeding targets for the number of loans made to micro and small enterprises, women customers, and in rural and semiurban areas. Along with

allowing Annapurna Finance Private Limited to significantly expand financing to underserved groups in rural areas, resulting in new jobs and business opportunities, ADB's assistance also gave the company resources to invest in new products made available digitally to its borrowers.

Investments in affordable, safe, and effective water and sanitation services is a PSOD strategic priority, and in 2020 ADB committed an \$8 million loan to Viet Nam's Binh Duong Water Environment Joint Stock Company (BIWASE) to expand the capacity of its water treatment plant in Binh Duong Province. The [Binh Duong Water Treatment Expansion Project](#) enabled Binh Duong Water Environment Joint Stock Company to boost treatment by 100,000 cubic meters of water a day to meet fast-growing demand from both domestic and industrial customers. The Republic of Korea e-Asia and Knowledge Partnership Fund extended complementary technical assistance of \$500,000 to strengthen BIWASE's financial management and capacity to deliver sustainable and resilient water services.

The project was the first successful fully fledged collaboration between ADB sovereign and private sector teams under the One ADB approach, with PSOD, leveraging off ADB's Southeast Asia Department's long-standing relationship with the company. The extended annual review report found that 96% of targeted new household connections were met by 2023, with the amount of potable water produced sharply above target, and nonrevenue water losses falling. The gender action plan delivered all intended gender equality activities, exceeding targets for the number of jobs created for women.

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Source: Asian Development Bank (Private Sector Operations Department).

### Inclusive Business: Bridging the Gap Between Profit and Social Good

Poverty continues to be a significant global challenge, with an estimated 692 million people living in extreme poverty, defined as those surviving on less than \$2.15 per day.<sup>9</sup> However, an even larger segment of people living on low incomes above the poverty line faces multiple vulnerabilities, including a lack of access to basic goods and services such as quality education, decent housing, and clean water and sanitation. In case of adverse conditions, these groups are vulnerable to fall back into poverty. Addressing their challenges and helping them to increase incomes and improve their livelihoods are essential for sustainable and inclusive development. The private sector can play a crucial role in this process by driving economic growth, creating jobs, and fostering innovation. By leveraging its resources, expertise, and agility, the private sector can complement public sector initiatives and programs that are addressing poverty.

The inclusive business model involves companies going beyond profit maximization as a sole goal to become engines for social good and sustainability that can integrate low-income segments into the mainstream

economy as consumers, suppliers, distributors, and employees. ADB's private sector operations support inclusive business development by collaborating and leveraging their potential for poverty reduction and addressing inequality.

From 2014 to 2024, ADB commitments for inclusive business projects exceeded \$3.5 billion. PSOD accumulated a wealth of valuable lessons over this period. Inclusive business projects in 2024 included a carbon mitigation project in India that will deliver improved cookstoves; several agricultural transactions supporting integration of farmers and helping them to adopt farming practices resilient to environmental shocks; and investments to boost lending to MSMEs, with a strong focus on women.

PSOD also released a [special publication](#) in 2024, detailing how inclusive business initiatives have successfully integrated low-income groups into commercial markets. It provides important insights that enable ADB stakeholders to better understand the concept of inclusive business and its potential to empower disadvantaged populations (Box 13).

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<sup>9</sup> Using 2017 purchasing power parity prices, based on the World Bank data for 2024.

## BOX 13

## The Transformative Power of Inclusive Business

**Clockwise from top left: Fabric factory, Mongolia; Wet market, Philippines; Cimory sales agent, Indonesia.**

A private sector publication released in 2024 highlights inclusive business projects that have assisted entrepreneurs and provided livelihood opportunities in low-income communities (photos by ADB, except Cimory sales agent by PT Cisarua Mountain Dairy Tbk).



The publication, [The Transformative Power of Inclusive Business: Case Studies on How Commercially Viable Projects Drive Development](#), contains case studies of private sector projects with different models of inclusive business—consumer-focused, supplier-focused, and employee- or distributor-focused.

One of the consumer-focused projects, the [CARD Promoting Access to Finance for Low-Income Microborrowers Project](#) in the Philippines, approved in 2021 with an ADB loan of \$10 million, is delivering financial services to low-income microborrowers, enabling them to pursue entrepreneurial opportunities while promoting their inclusion in the formal economy. CARD, Inc., or the Center for Agriculture and Rural Development Inc., is a nongovernment organization that extends microloans and microinsurance to economically challenged women and families without requiring collateral.

Among the beneficiaries are Josefina Maranan and Rowena Sedeño, two women living in Quezon City, the most populous city in the Philippines. With a loan from CARD, Inc., equivalent to \$350, Josefina Maranan was able to stock up on fish, fish food, and other supplies in her aquatic pet shop. The loan equivalent to \$1,748 to Rowena Sedeño enabled her to expand her electronic loading and remittance center business.

“CARD, Inc. was always part of our financial journey, from the time we were still experimenting until we found a good business. Because of their help, we have obtained financial freedom. Now, we can buy not just our needs but also our wants,” said Sedeño, who has been able to build two houses for her family and purchase a car with profits from her business.

For Josefina Maranan, her involvement with CARD, Inc. began in 2010 with an initial loan equivalent to \$53. The fresh finance under the project enabled her pet shop business to recover after it was temporarily shut down during the coronavirus disease (COVID-19) pandemic. Since obtaining the new loan in 2023, her shop’s earnings have doubled, providing financial stability for her household.

“As a family, our goal was to send our children to school and have food on the table. CARD, Inc. helped us achieve this with their education loans and microloans,” noting that her positive experience encouraged other family members to join CARD, Inc. as well. Josefina Maranan said, “They lend money with a heart, offering reasonable interest and terms.”

*continued on next page*



**Box 13** *continued*

Micro, small, and medium-sized enterprises account for over 99% of all business establishments in the Philippines and they contributed about 40% of gross domestic product in 2020. But despite their economic importance, access to finance for micro, small, and medium-sized enterprises is constrained by negative risk perceptions of microborrowers. The COVID-19 pandemic forced many small businesses to close. The project provided a way for microborrowers to resume or start new business activities and stabilize their incomes, enabling them to become economically empowered.

In Mongolia, the [Gobi Climate-Resilient Cashmere Value Chain Project](#), a producer-focused inclusive business initiative, has been providing new income opportunities for cashmere goat herders, while promoting climate-resilient grazing practices. ADB approved a loan and technical assistance totaling \$31 million in 2023 to Gobi Joint Stock Company, the largest cashmere products manufacturer in Mongolia. This assistance has enabled the business to integrate more herders into the cashmere supply chain, while training herders in sustainable pasture management techniques, an increasingly important objective in the face of land degradation from traditional grazing practices, along with desertification driven by climate change.

One herder, Birvaa Dashjams, from Bayankhongor province, says as a result of the project, Gobi now buys cashmere directly from him, without the involvement of intermediaries, resulting in higher prices that has seen his household income rise from \$11,765 to \$13,235 a year.

“Participating in the Gobi project has transformed our living conditions,” said Birvaa. “The training and support have not only improved our income but also ensured the health and quality of our livestock. Most importantly, it has enabled us to secure a better future for our two children by affording them a good education.”

Another herder, Erdmaa Nyamdorj, said the project has enabled her family to recover from a devastating slump in income during the COVID-19 pandemic. After a sharp drop in cashmere prices in 2020 left them in a precarious economic position, participation in the project enabled them to improve the health of their animals, obtain direct market access for their wool, and boost their annual income to \$11,752 in 2023, from a previous level of \$9,401, which barely met their basic needs.

“The project equipped us with new information and knowledge that are very relevant to our herding, and to our lives as a whole,” said Erdmaa. “This holistic approach not only improved our herding practices but also enriched our lives, with a sense of empowerment and equality.”

As a result of the project, an additional 106 herders have been integrated into the sustainable value chain of the cashmere industry. Bolormaa Batsuuri, Gobi’s executive vice-president for creative products, said building a sustainable value chain is crucial because overgrazing from goats that are kept mainly for cashmere production can have environmental impacts leading to land degradation and desertification. “This sustainable value chain is imperative for us to ensure the future of cashmere and protect Mongolia’s environment,” said Bolormaa.

In Indonesia, an ADB equity investment of \$4.2 million to PT Cisarua Mountain Dairy Tbk (Cimory) for the [Cimory Inclusive Dairy Value Chain Project](#) has provided new livelihood opportunities for women with low incomes and few job opportunities. This employee-focused inclusive business project, approved in 2021 during the COVID-19 pandemic, gave Cimory capital to expand its distribution channels by hiring and training female agents to sell its dairy products door to door. The Miss Cimory program provides an important outlet for women on low incomes with school-aged children to participate in an empowering livelihood activity.

One beneficiary of the program, Elmita Sari Dewi from Padang Pasir in West Sumatra, previously worked as a street vendor, and she and her husband struggled to meet their family’s daily needs. Joining the program, with support from ADB, has turned her life around.

“I used to struggle to make ends meet as a street vendor. At one point, I had to leave the streets because I ran out of capital. Joining the Miss Cimory program opened doors I never imagined. It provided me with the training, skills, and support I needed to succeed,” said Dewi, who since joining the program has been able to achieve net income ranging from Rp10 million–Rp15 million a month, allowing her to purchase three motorcycles and a car, and to pay for her children’s school fees.

With operations spanning more than 30 cities across Bali, Java, and Sumatra islands, the program offers an opportunity for women to engage in safe and socially acceptable employment, often in areas with limited opportunities available to them. ADB’s financing has helped to create jobs for about 400 employees. Cimory’s sales agent network expanded from 2,509 agents in 2020 to 7,000 by 2024, enabling more women to contribute to their households’ income and have greater control over their finances and decisions.

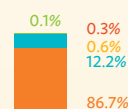
“By encouraging women to achieve financial independence and become leaders within their households and communities, we foster meaningful change,” said Farell Sutantio, Cimory’s chief executive officer. “Investing in women generates a multiplier effect, benefiting not only businesses but also the entire nation.”

# Contributions of ADB Private Sector Operations to the Sustainable Development Goals



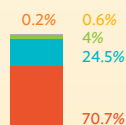
Farmers reached

**8.7 million**



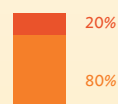
MSME beneficiaries

**44.3 million**



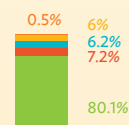
Agricultural products produced (food)

**894,915 tons**



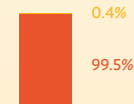
Patients served

**5.0 million**



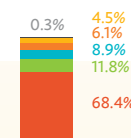
Students reached

**78,026**



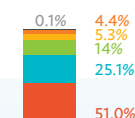
Workers employed (female)

**145,453**



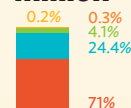
Workers employed

**826,254**



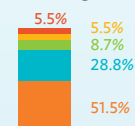
MSME beneficiaries (female)

**42.3 million**



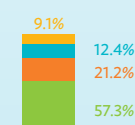
People trained

**1.4 million**



Domestic purchases

**\$8,884 million**



**1** NO POVERTY



**2** ZERO HUNGER



**3** GOOD HEALTH AND WELL-BEING



**4** QUALITY EDUCATION



**5** GENDER EQUALITY



**8** DECENT WORK AND ECONOMIC GROWTH



HUMAN DEVELOPMENT

ECONOMIC GROWTH

South Asia

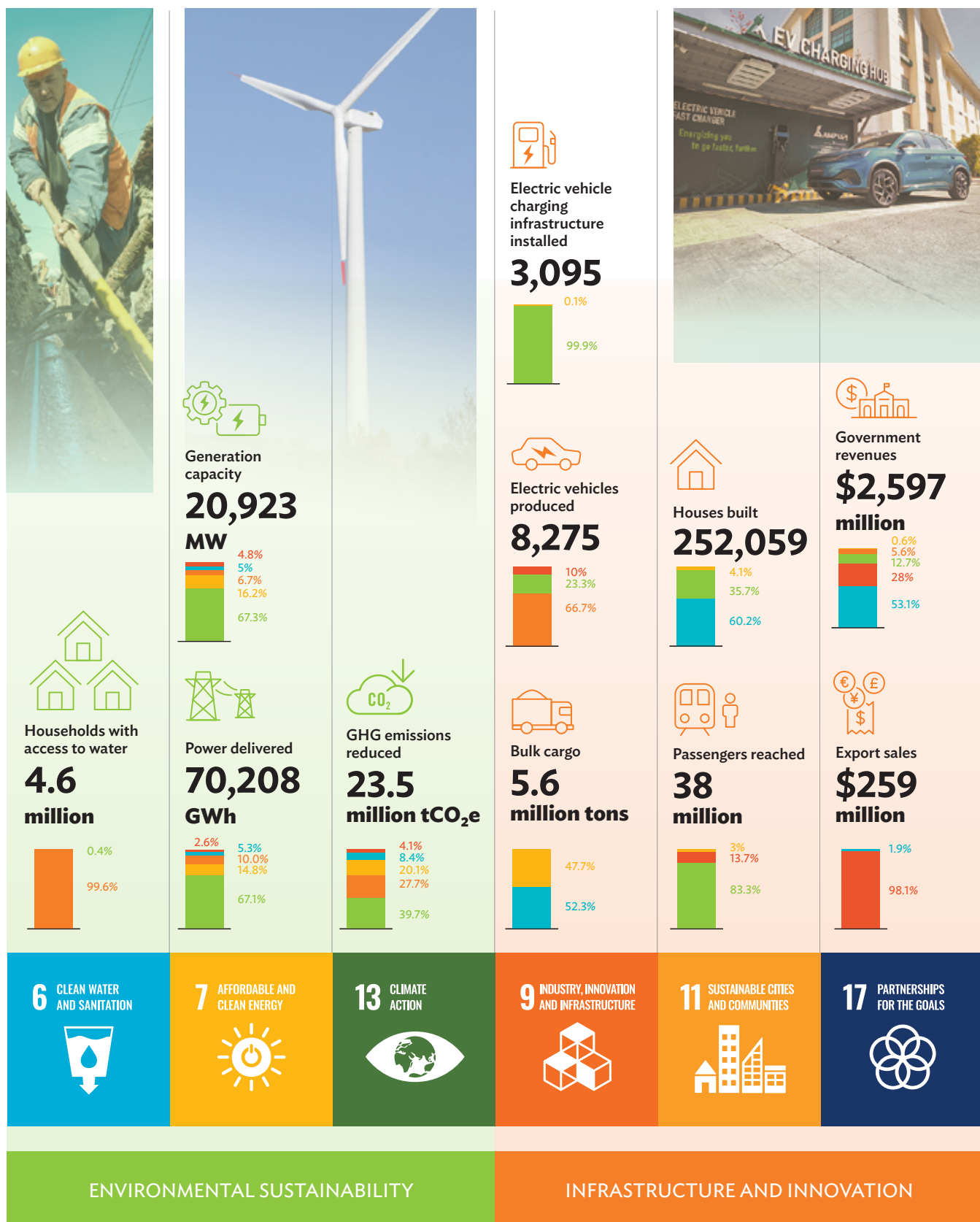
Southeast Asia

East Asia

Central and West Asia

Regional

Pacific



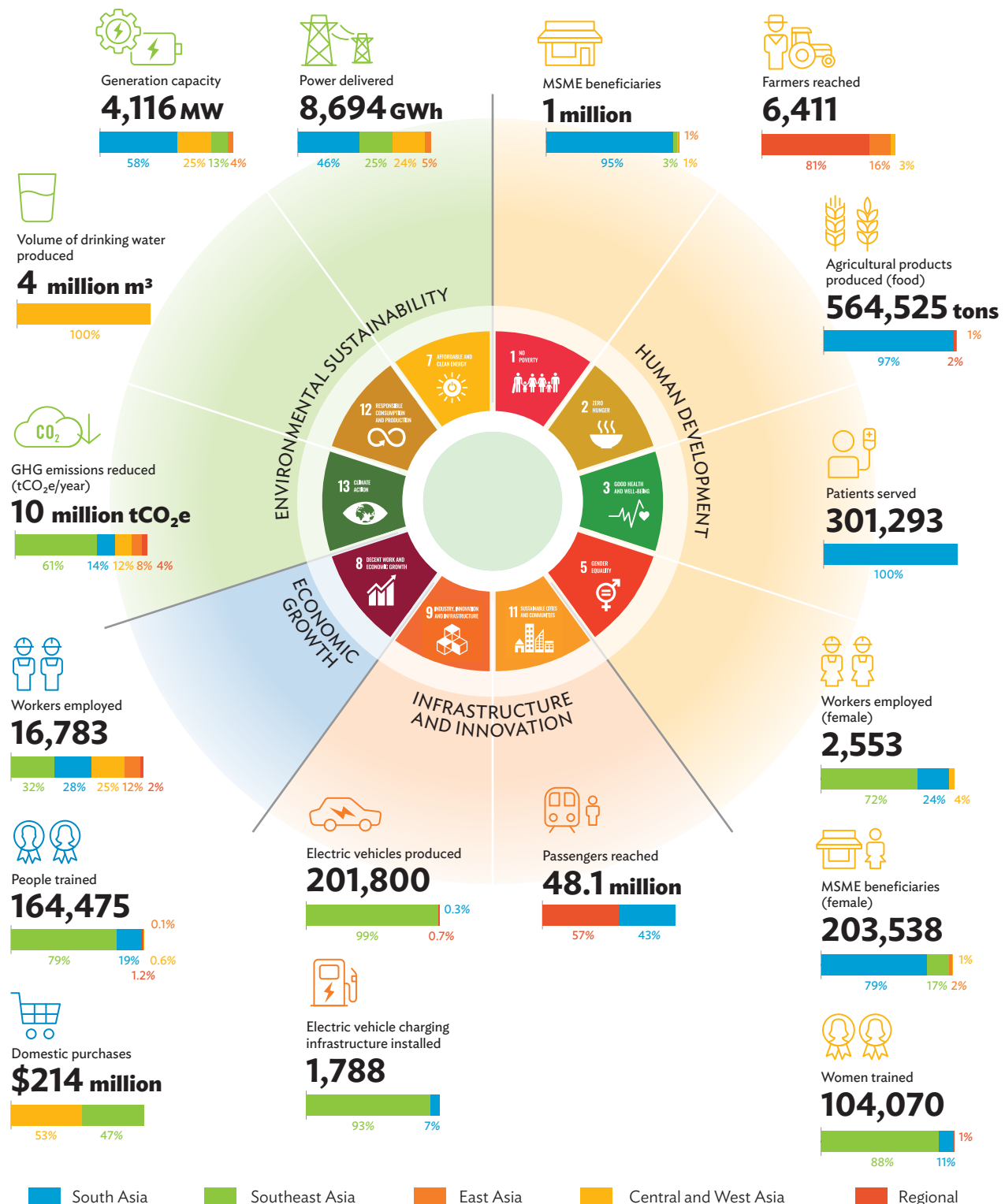
ADB = Asian Development Bank; GHG = greenhouse gas; GWh = gigawatt-hour; m<sup>3</sup> = cubic meter; MSMEs = micro, small, and medium-sized enterprises; MW = megawatt; tCO<sub>2</sub>e = tons of carbon dioxide equivalent.

Notes: Results are based on reports received as of 31 March 2025. Numbers may not sum precisely because of rounding.

Source: Asian Development Bank (Private Sector Operations Department).



# Expected Contributions of Committed Projects to the Sustainable Development Goals



ADB = Asian Development Bank; GHG = greenhouse gas; GWh = gigawatt-hour; m<sup>3</sup> = cubic meter; MSMEs = micro, small, and medium-sized enterprises; MW = megawatt; SDGs = Sustainable Development Goals; tCO<sub>2</sub>e = tons of carbon dioxide equivalent.

Notes: Results are based on reports received as of 28 February 2025. Numbers may not sum precisely because of rounding.

Source: Asian Development Bank (Private Sector Operations Department).

A photograph of three people in a modern office setting. Two women are seated on a green sofa, facing a man who is seated on a grey sofa. They appear to be in a discussion. The background features a green wall with decorative elements and a potted plant.

# LEVERAGING THOUGHT LEADERSHIP

**Discussion area, ADB  
Viet Nam Resident  
Mission.** Sharing  
knowledge and building  
relationships with clients  
and partners open new  
opportunities while boosting  
the development impacts of  
private sector operations.

**P**SOD demonstrated thought leadership in 2024 through a number of knowledge-sharing events and the release of several insightful publications.

In January, ADB co-organized a private sector investment forum in Ulaanbaatar with Mongolia's Ministry of Economy and Development to foster collaboration and encourage private sector investments contributing to sustainable development. The forum served as a knowledge-sharing platform where ADB presented insights into its private sector operations; led discussions on critical investment areas such as food safety, sustainable financing, and mineral value chains; and engaged with the country's business leaders to explore opportunities for impactful investment.

PSOD events at the 57th ADB Annual Meeting focused on the private sector's critical role in addressing long-standing development challenges, including climate change and financial exclusion. This discussion

was further explored in PSOD's sessions at the 29th United Nations Climate Change Conference, where key insights and strategies were shared to deepen global understanding and foster actionable solutions.

Other seminars and webinars organized during the year served as platforms for knowledge exchange, exploring critical development challenges such as the green transition and financial inclusion.

In 2024, PSOD delivered 11 publications to enhance understanding of knowledge on inclusive business, innovation, trade and supply chain finance, as well as lessons learned from private sector operations.

[The Transformative Power of Inclusive Business](#) showcases five case studies of commercially viable projects that integrate low-income communities into markets, demonstrating how inclusive business can drive development. Among the publications that share

practical knowledge on financial inclusion, [Leveraging Fintech for Women Entrepreneurs in Indonesia, the Philippines, and Viet Nam](#) explores how digital finance is helping women entrepreneurs in Indonesia, the Philippines, and Viet Nam grow their MSMEs. The [Roles of Access to Finance in Small and Medium-Sized Enterprise Development in Viet Nam](#) analyzes how SME development benefited from a 2021 ADB loan to Vietnam International Bank. [Armenia's Microfinance Sector at a Glance](#) highlights the financing challenges of small businesses in Armenia and the need for digitalization among lenders. Finally, the [Sustainable Finance Benefits from a Gender Lens](#) publication explains why gender-inclusive investing boosts both economic and social outcomes in Asia and the Pacific. The [Women Business Owners Present Green Growth Potential for Financial Institutions in Pakistan](#) brief examines Pakistan's progress in creating an

enabling environment for women's access to finance and highlights how closing gender gaps in financial inclusion can support greener economic growth.

Recognizing the critical role of trade finance in supporting businesses and economic growth, PSOD published two reports in 2024 to share key findings and recommendations. The [Deep-Tier Supply Chain Finance: Unlocking the Potential](#) brief, published in partnership with the Banker's Association for Finance and Trade, offers insights into how deep-tier supply chain finance can improve SMEs' access to financing while supporting the integration of sustainable practices into their businesses. The [Transforming the Fight Against Trade-Based Money Laundering: New Data and Partnerships](#) publication shares findings from an ADB-led pilot in Asia, highlighting how targeted efforts to address trade-based money laundering can strengthen suspicious transaction reporting

#### Promoting knowledge and innovation in the private sector.

In 2024, PSOD released 11 publications highlighting lessons learned on topics including financial solutions for small businesses, low-carbon investments, inclusive business, gender lens investing, supply chain finance, and combating money laundering.





and contribute to broader knowledge on enhancing trade transparency.

The publication [Driving Energy-Efficient and Low-Carbon Investments for Small and Medium-Sized Enterprises through the Finance Sector](#) provides a detailed analysis of India's investment landscape in energy efficiency and resource-efficient infrastructure technologies, providing valuable knowledge on scaling sustainable practices. Meanwhile, the [Measuring the Economic Impacts of a Wind Power Project in Viet Nam](#) brief highlights the importance of assessing the economic and social impacts of Viet Nam's 144 MW Lotus Wind Power Project, offering key insights into the benefits of renewable energy generation as the country expands its renewable energy capacity.

Additionally, the blog [Three Pathways to Inclusive Green Housing for Women in Asia and the Pacific](#) outlines pathways to enhance women's access to finance for energy-efficient and affordable housing, providing valuable insights into fostering inclusive and sustainable housing solutions. [A Lifeline for Small Businesses in Kazakhstan to Survive and Thrive](#) case study highlights the stories of two Kazakhstani entrepreneurs, who, with ADB assistance, were able to revive their businesses after they were disrupted by the COVID-19 pandemic and the Russian invasion of Ukraine, offering key lessons in crisis recovery and business resilience.



## Awards Received by ADB, its Investees, and Transactions







## Project Briefs

(arranged by sector, by region)

### Infrastructure

#### Central and West Asia

#### Telecom Armenia Sustainability-Linked Bond Project



ADB's financing will support the expansion of a mobile core network, the upgrade of an internet protocol network, the provision of batteries for existing mobile and fixed line network stations, the modernization and expansion of fixed lines for regional cities and villages, the expansion of an electric vehicle charging network, and the refinancing of existing loans.

##### ARMENIA

**CLIENT** Telecom Armenia OJSC

**COMMITTED FINANCING** \$30 million

##### KEY FEATURES

- > First sustainability-linked bond to be listed on the Armenia Stock Exchange.
- > ADB's first bond investment in Armenia.
- > ADB as the mandated leading anchor investor and mobilizer.

##### ADB ADDITIONALITY

- > Innovative funding solution to create the environmental, social, and governance thematic capital market in Armenia while developing a more resilient and sustainable digital infrastructure.
- > Mobilizes direct private and institutional financing from potential local financing such as retail investors, pension funds, and local banks.
- > Creates knowledge transfer facilitated by leveraging the experience gained through its pioneering role in thematic bond issuance in the South Caucasus region.
- > Enhances the internal human capital of Telecom Armenia, and facilitate knowledge sharing to develop innovative fintech solutions for the Armenian market through technical assistance.

#### Banka Solar Power Project



ADB's financing will support the development, construction, and operation of a 315-megawatt solar photovoltaic power plant in the Neftchala district in Azerbaijan.

##### AZERBAIJAN

**CLIENT** Banka Solar SPV LLC

**COMMITTED FINANCING** \$33.5 million

##### KEY FEATURES

- > One of the largest solar power projects in Azerbaijan.
- > Supports the increase in renewable generation capacity and reduction in greenhouse gas emissions, while improving the quality of life across the country through a sustainable energy supply.

##### ADB ADDITIONALITY

- > Provides long-term US dollar financing that is not readily available in Azerbaijan.
- > Supports achievement of targets in Azerbaijan's nationally determined contributions, along with ADB's Strategy 2030.

## Bilasuvur Solar Power Project



ADB's financing will support the development, construction, and operation of a 445-megawatt alternating current solar photovoltaic power plant in Shirvan–Salyan region, Azerbaijan.

### AZERBAIJAN

**CLIENT** Bilasuvur Solar SPV LLC

**COMMITTED FINANCING** \$48.1 million

#### KEY FEATURES

- > Largest solar power project in Azerbaijan with a potential for demonstration effect.
- > Supports the increase in renewable generation capacity and reduction in greenhouse gas emissions, while improving the quality of life across the country through a sustainable and diversified energy supply.

#### ADB ADDITIONALITY

- > Provides long-term US dollar financing that is not readily available in Azerbaijan for utility-scale renewable projects.

## GGU-Aqualia Green Bond Project



*Photo by Georgia Global Utilities JSC.*

Proceeds from ADB's investment in the green bond issuance by GGU will ensure that residents of Tbilisi and neighboring municipalities will have access to adequate, standards-based, appropriate, and affordable water and sanitation services; and water service institutions reflect the participation of women and cultural diversity of Georgia. Investment will also help build resilience against the effects of environmental degradation on surface water and groundwater resources.

### GEORGIA

**CLIENT** Georgia Global Utilities JSC (GGU)

**COMMITTED FINANCING** \$30 million

#### KEY FEATURES

- > ADB is an anchor investor in the bond.
- > This green bond is the largest issued from a Georgian private entity.
- > The project will improve women's access to jobs and enhance job conditions for women in the water and urban development sector.

#### ADB ADDITIONALITY

- > ADB's role as anchor investor in the transaction will boost international confidence in Georgia's capital market and enhance the country's climate resilience.
- > Long-tenor large debt facility fills the local financing gap while ensuring a stable financing option.
- > Develops Georgian corporate bonds and mobilizes of international investors, promoting economic stability and growth.

## KEGOC Renewable Energy Supporting Grid Expansion Project



ADB's financing will support the expansion of a high-voltage transmission network in the southern region of Kazakhstan. This will enable integration of large-scale renewable energy generation capacity that is under development and improve the reliability of the grid for domestic supply and electricity exchange within the Central Asian power system.

### KAZAKHSTAN

**CLIENT** Joint Stock Company Kazakhstan Electricity Grid Operating Company

**COMMITTED FINANCING** \$122.5 million

### KEY FEATURES

- > ADB's first-ever engagement in Kazakhstan's power transmission subsector.
- > Power grid enhancements to increase transmission capacity by 75% and improve the stability of energy supplies by eliminating overloading and reducing transmission losses.

### ADB ADDITIONALITY

- > Provides long-term financing in local currency, addressing the gap in the domestic financial market.
- > Encourages adoption of gender-inclusive workplace standards as well as supporting women pursuing careers in the energy sector.
- > Provides capacity building and technical advice on renewable energy grid integration.

## SAFCO Venture Holdings Limited Sustainable Aviation Fuel Project



ADB's financing will support the construction, commissioning, financing, operation, and maintenance of a sustainable aviation fuel (SAF) facility with a capacity of 200,000 tons per year located in Sheikhpura, Pakistan.

### PAKISTAN

**CLIENT** SAFCO Venture Holdings Limited

**COMMITTED FINANCING** \$41.2 million

### KEY FEATURES

- > ADB as a mandated lead arranger and bookrunner.
- > First private sector-led SAF deal in a developing member country of ADB, excluding the People's Republic of China.
- > First SAF plant in the Middle East and Asia.
- > Promotes circular economy and creates market for biowaste by using waste-based feedstock including used cooking oil.

### ADB ADDITIONALITY

- > Long-term debt financing that addresses shortage of funding from local and international lenders while sending a strong signal of market confidence.
- > Mobilizes cofinancing from private and public sources, enabling the deployment of capital from ILX Fund I and NinetyOne, emerging market-focused credit funds, to invest in Pakistan for the first time. Mobilized the International Finance Corporation as a parallel lender.



## Bukhara Solar and Battery Energy Storage Project



Photo by Nur Bukhara Solar PV Foreign Enterprise LLC.

ADB's investment will build a 250-megawatt solar power plant and a battery energy storage system facility with 126 megawatt-hours of energy storing capacity in Uzbekistan's Bukhara region. The financing will also support the construction of a 220-kilovolt substation and a 3.1-kilometer transmission line to connect to the grid.

### UZBEKISTAN

**CLIENT** Nur Bukhara Solar PV Foreign Enterprise LLC  
**COMMITTED FINANCING** \$26.5 million

#### KEY FEATURES

- > The project is Central Asia's first renewable power facility with a utility-scale battery storage system, which will enable electricity to be stored and delivered on demand, reducing grid instability and providing the flexibility to integrate intermittent solar resources.
- > Power generated will be sold exclusively to the National Electric Grid of Uzbekistan.

#### ADB ADDITIONALITY

- > Long-term financing, which is not readily available in the local market, will have significant demonstration effect in helping establish a bankable precedent intended to catalyze private sector participation in Uzbekistan's renewable and battery storage sector.
- > Adheres to ADB's *Safeguard Policy Statement*, which will ensure the adoption of international best practices in safeguards management.
- > Builds in gender equality measures into the project to help advance women's economic empowerment.

## East Asia

## Canvest Waste Management Project



Photo by Canvest.

The ADB loan will support the development, construction, and operation of a portfolio of waste-to-energy (WTE) and municipal solid waste (MSW) management subprojects in the People's Republic of China to demonstrate the viability of supporting MSW management and WTE under an integrated approach, while contributing to low-carbon development from increases in efficiency and recycling.

### PEOPLE'S REPUBLIC OF CHINA

**CLIENT** Canvest Environmental Protection Group Company Limited  
**COMMITTED FINANCING** \$50.5 million (CNY360 million)

#### KEY FEATURES

- > Combines service-based waste management with capital expenditure-intensive models, encouraging private sector enterprises to adopt value-added activities beyond incineration.
- > Fosters sustainability in resource utilization and promotes environmentally conscious waste management practices.

#### ADB ADDITIONALITY

- > Local currency corporate loan with a longer-tenor reduces exposure to currency volatility and eliminates risks associated with refinancing.
- > Helps expand MSW management business by building on the sovereign projects and technical assistance programs through knowledge sharing and capacity building.

## Henan Tian Lun Safety Enhancement and Methane Leakage Reduction Project



ADB's financing will support safety enhancement and network rehabilitation of 3,000 kilometers of gas pipelines and the installation of smart meters for 1 million households in 10 city gas projects across five provinces in the People's Republic of China.

### PEOPLE'S REPUBLIC OF CHINA

**CLIENT** Henan Tian Lun Gas Group Limited (HTL)

**COMMITTED FINANCING** \$72 million

#### KEY FEATURES

- > ADB as mandated lead arranger.
- > 100% finance for methane emission reduction.
- > Resilience enhanced through ADB technical assistance support.
- > Green loan certification.
- > Effective gender mainstreaming-rated gender action plan.

#### ADB ADDITIONALITY

- > Addresses the scarcity of long-term capital available for investments in network rehabilitation in the People's Republic of China through long-term financing.
- > Mobilizes cofinancing to further diversify the HTL's banking resources and long-term funding base.
- > Enhances the project's resilience and HTL's operations overall through knowledge and capacity building.

## South Asia

### FPEBL Rooftop Solar Power Project



*Photo by FPEBL.*

ADB's financing will support the development, construction, and operation of a portfolio of solar photovoltaic power systems installed on the rooftops of commercial and industrial buildings in Bangladesh, with an aggregate capacity of up to 50 megawatt-peak.

### BANGLADESH

**CLIENT** Fourth Partner Energy Bangladesh Limited

**COMMITTED FINANCING** \$5 million

#### KEY FEATURES

- > ADB's first private sector rooftop solar project in Bangladesh, and the first commercial and industrial rooftop solar project in the country to be financed by international lenders.
- > A new portfolio financing structure for rooftop solar in Bangladesh that aggregates a diversified portfolio of commercial and industrial users under a single borrower, thereby reducing transaction costs.

#### ADB ADDITIONALITY

- > Provides and mobilizes long-tenor US dollar financing, filling in the capital gap in domestic market for rooftop solar projects.
- > Reduces perceived risks associated with the sector, and setting strong precedence in rooftop solar segment.
- > Fosters regional cooperation by enabling leading power developer from India to expand operations in Bangladesh.

## Muktagacha Solar Power Project



Photo by Muktagacha Solartech Energy Limited.

ADB's financing will support the development of a 20-megawatt grid-connected solar photovoltaic power plant and related infrastructure in Muktagacha, Mymensingh, Bangladesh.

### BANGLADESH

**CLIENT** Muktagacha Solartech Energy Limited

**COMMITTED FINANCING** \$15.5 million

### KEY FEATURES

- > Sole mandated lead arranger.
- > One of the initial utility-scale private sector solar power projects in Bangladesh to be financed by an international lender.
- > Demonstration effect on the future growth of the solar power sector in Bangladesh.

### ADB ADDITIONALITY

- > Provides and mobilizes long-term US dollar financing addresses lending constraints in the domestic market.
- > Sets a bankable precedent that can help catalyze further private sector participation in Bangladesh's renewable energy sector.

## Ananta Sustainable and Energy-Efficient Fabric Manufacturing Project



Photo by Ananta Knitwear Limited.

The ADB loan will fund the construction of an eco-friendly and energy-efficient building, and the purchase and installation of digital machinery and associated equipment for AKL's knitting factory, enabling quicker delivery of garments to global apparel brands with a shorter lead time. The fabrics produced under the project will be used for in-house consumption by the group and will be sold to various ready-made garment manufacturers within Bangladesh.

### BANGLADESH

**CLIENT** Ananta Knitwear Limited (AKL)

**COMMITTED FINANCING** \$20 million

### KEY FEATURES

- > First factory in Bangladesh for producing synthetic knitted fabrics for the lingerie and activewear segments.
- > Creation of 200 new jobs during construction and 1,000 during operations, with at least 15% of management staff working for the new factory being women.
- > Designed for efficient water and energy consumption, demonstrating solutions to climate change issues in the ready-made garment industry of Bangladesh.

### ADB ADDITIONALITY

- > Provides US dollar long-term financing to private sector companies in Bangladesh, addressing capital constraints in the local markets.
- > Encourages best-practice safeguard standards to ensure sustainable and responsible business practices by focusing on energy efficiency, clean energy, grievance redressal, risk-impact management, and compliance assurance.
- > Promotes gender inclusion through a gender action plan to enhance women's career opportunities in the company, including women with disabilities and young women, and improving their workplace environment.



## Commercial and Industrial Decarbonization Project



Photo by Fourth Partner Energy Private Limited.

ADB's equity investment will support the development of utility-scale solar, solar-wind hybrid, and rooftop solar power projects in India, providing cost-effective clean energy directly to users. The project will support efforts to reduce carbon emissions from the country's commercial and industrial sector as well as strengthen the institutional capacity of FPEL to promote better participation of women in the renewable energy industry.

### INDIA

**CLIENT** Fourth Partner Energy Private Limited (FPEL)

**COMMITTED FINANCING** \$70 million

### KEY FEATURES

- > The investment represents the first transaction undertaken by Leading Asia's Private Sector Infrastructure Fund 2 (LEAP 2) since its establishment in December 2023.
- > ADB's nomination of one director to FPEL's board of directors and its collaboration with the company's management to strengthen its corporate governance, especially improving reporting, oversight, and decision-making processes, as well as its standards related to environmental and social management.

### ADB ADDITIONALITY

- > Encourages both domestic and international lenders to lend more actively to independent power producers catering to commercial and industrial customers, given ADB's credentials in renewable energy.
- > Mobilizes and facilitates an equity investment from LEAP 2 and Deutsche Investitions- und Entwicklungsgesellschaft mbH (the German Investment Corporation).
- > Ensures FPEL adopts enhanced due diligence on the solar module supply chain to comply with ADB's *Safeguard Policy Statement* and core labor standard.
- > Encourages women's participation in the renewable energy sector, where women are underrepresented.

## Engie Solar Power Project

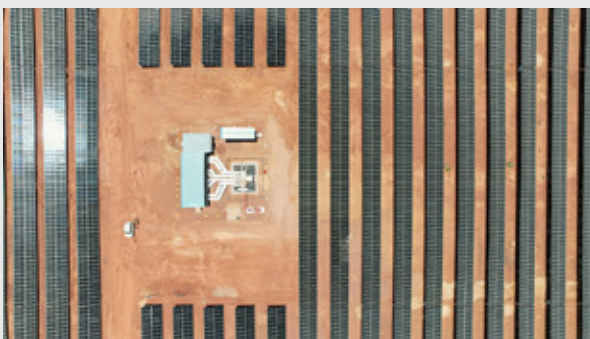


Photo by Enren Energy Private Limited.

ADB's financing will fund the construction of a 400-megawatt solar photovoltaic power plant in Surendranagar District, Gujarat, India. ADB's support will increase the share of renewable energy in Gujarat's energy mix and help the state purchase solar power at a 43% lower price than its average power purchase cost. The project will support the Government of India's target of achieving at least 500 gigawatts of nonfossil fuel energy capacity by 2030.

### INDIA

**CLIENT** Enren Energy Private Limited

**COMMITTED FINANCING** \$87.6 million (₹7.3 billion)

### KEY FEATURES

- > ADB is the mandated lead arranger for mobilizing financing.
- > ADB is providing unique local currency long-term financing, which is not available in the market.
- > The solar panels will use locally produced bifacial photovoltaic modules, diversifying the supply chain and supporting India-based manufacturers.

### ADB ADDITIONALITY

- > Provides a bespoke and comprehensive limited recourse long-term financing solution in local currency, including a top-up loan, with options to fix the interest rate and defer principal repayment, ensuring the project's financial viability.
- > Supports the diversification of the solar module supply chain by procuring modules from three Indian manufacturers.
- > Strengthens sourcing practices of the three local module manufacturers though enhanced due diligence on the supply chain will support the attractiveness of the local solar manufacturing industry for other developers, investors, and lenders.
- > Promotes gender inclusiveness in solar power plant construction, professional development training for female staff, and paid management or technical internships for women.

## ReNew Carbon Credits Financing Project



ADB's financing will support the distribution and utilization of 200,000 energy-efficient improved cookstoves to reduce biomass consumption, greenhouse gas emissions, and indoor air pollution; the planting of 22.5 million fruit and timber tree saplings with smallholder farmers to sequester carbon and provide co-benefits to farmers; and the commissioning of a biochar production facility with a capacity of 6,436 tons per year to improve soil health and sequester carbon.

### INDIA

**CLIENT** ReNew Power Synergy Private Limited

**COMMITTED FINANCING** \$3.1 million (₹260 million)

### KEY FEATURES

- > Expected to generate carbon credits.
- > Supports emission reduction by financing debt repayment through carbon credits sale in the voluntary carbon market, reducing market risks and improving financing for carbon projects.
- > Reduces health risks for women, enhances their well-being, and creates jobs by involving them in the distribution and adoption of improved cookstoves.
- > Supports smallholder farmers, including women farmers, to adopt sustainable and resilient diverse agroforestry systems.

### ADB ADDITIONALITY

- > Concessional loan from the Climate Innovation and Development Fund, an ADB-managed concessional financing fund, to finance partial cost for setting up a pilot of 1,500 bioethanol-based cookstoves in Uttar Pradesh, testing product-market fit and designing a scalable business model.
- > Builds the capacity of smallholder farmers, with at least 50% women, to strengthen resilience and empower women farmers in Odisha, and to pilot an innovative and scalable sustainable finance solutions through technical assistance.

## JBM Haryana Electric Bus Financing Project



The ADB loan will support the procurement, operation, and maintenance of 450 electric buses and associated depot and charging infrastructure in the state of Haryana, India.

### INDIA

**CLIENT** JBM Ecolife Mobility Haryana Private Limited

**COMMITTED FINANCING** \$29.8 million

### KEY FEATURES

- > Public-private partnership.
- > Nearly one-third of the project's power needs will be sourced from renewable energy sources by fiscal year 2028, significantly reducing its carbon footprint.
- > Modernization of the state's public transportation system with a focus on environmental sustainability.
- > Prioritization of passenger safety, particularly for women, through enhanced safety features in the buses and at the bus depots.

### ADB ADDITIONALITY

- > Provides long-term local currency financing, bridging a crucial financial gap for JBM Group in the electric bus sector.
- > Creates a safer and more equitable workplace for women through an action plan focused on safety response protocols, a centralized monitoring system, and a dedicated driving license program to increase women's participation in nontraditional roles, such as bus driving.

## JBM Odisha Electric Bus Financing Project



Photo by JBM Ecolife Mobility Private Limited.

ADB will subscribe to senior secured debt financing facility in the form of nonconvertible debentures of up to ₹1,119.65 million (equivalent to \$13.4 million) through ordinary capital resources to finance the procurement, operation, and maintenance of 200 electric buses and associated depot and charging infrastructure in the state of Odisha, India.

### INDIA

**CLIENT** JBM Ecolife Mobility Private Limited

**COMMITTED FINANCING** \$13.4 million

### KEY FEATURES

- > The project is being implemented through a public-private partnership.
- > The project aims to modernize the state's public transportation system by deploying an environmentally sustainable electric bus fleet.
- > The project will meet 30% of its power requirements from renewable sources by fiscal year 2028.

### ADB ADDITIONALITY

- > Provides long-term financing in local currency, overcoming the scarcity of such options and the limited lender base for electric bus projects. Local lenders are often hesitant due to limited experience with the technology and concerns about the financial stability of state-owned transport companies, which delays progress.
- > Addresses gender gaps in the auto transport sector by creating a safer and more equitable workplace for women. This will be achieved by implementing a centralized monitoring system to enhance overall safety, establishing robust safety response protocols to ensure prompt action in emergencies, and empowering women by enabling their participation in a dedicated driving license program.

## Southeast Asia

### Muara Laboh Geothermal Power Project Stage 2



ADB's financing will support the (i) development of geothermal steam resources through production and injection facilities in the Liki Pinangawan Muara Laboh concession area; and (ii) the construction, operation, and maintenance of a new geothermal plant with an approximate capacity of 83 megawatts, which will operate along with the existing power plant financed by ADB through the Muara Laboh Geothermal Power Project (Muara Laboh Stage 1) in 2017.

### INDONESIA

**CLIENT** PT Supreme Energy Muara Laboh

**COMMITTED FINANCING** \$38.8 million

### KEY FEATURES

- > ADB acted as the lead structuring bank on the transaction, mobilizing private commercial capital with uncovered project risk for the first time in Indonesia's greenfield geothermal independent power producer sector.

### ADB ADDITIONALITY

- > Creates a strong demonstration effect and develop the geothermal power financing market in Indonesia through long-term funding and crowding in commercial financing in a high-risk sector.
- > Blended finance solution with concessional loan from the Australian Climate Finance Partnership acts as a cash flow buffer against operational stage shocks.
- > Promotes knowledge transfer from ADB's previous experience with Indonesian geothermal independent power producers and the national power utility.
- > Implements effective gender mainstreaming through a plan aimed at enhancing leadership opportunities for women; offering internships for female graduates of science, technology, engineering, and mathematics; and implementing human resource policies to support their recruitment, retention, and promotion.



## TBS Integrated Electric Motorcycles Ecosystem Project



Photo by PT TBS Energi Utama Tbk.

ADB's financing will support TBS investment in the PT Energi Kreasi Bersama's (Electrum) integrated electric motorcycle ecosystem. This includes procurement of electric motorcycles and batteries, and installation of battery swapping stations infrastructure in Indonesia.

### INDONESIA

**CLIENT** PT TBS Energi Utama Tbk

**COMMITTED FINANCING** \$5 million

#### KEY FEATURES

- > First ADB private sector financing to support the electric vehicle industry in Indonesia.
- > A role model for Indonesian corporates seeking sustainable transitions from carbon-intensive industries, potentially attracting more financing into the sector.

#### ADB ADDITIONALITY

- > Enhances project viability through concessional finance from the ADB-administered Australian Climate Finance Partnership.
- > Provides technical assistance to conduct research with Indonesian electromobility ecosystem associations to help improve subsidy programs in the country and provide insights into best practices.

## Buskowitz Rooftop Solar Project



Photo by Buskowitz Solar Inc.

The ADB loan will support the development, construction, and operation of multiple solar panel systems of up to 70 megawatts on the rooftops of commercial and industrial buildings in the Philippines. It will promote rooftop solar coverage in urban areas outside Metro Manila in Luzon (Bulacan, Laguna, Pampanga, and Pangasinan); Visayas (Bacolod); and Mindanao (Misamis Oriental and Zamboanga).

### PHILIPPINES

**CLIENT** Buskowitz Solar Inc.

**COMMITTED FINANCING** \$12 million  
(₱675.17 million)

#### KEY FEATURES

- > New portfolio financing structure funding multiple and varied rooftop solar projects through a single portfolio, spreading risks.

#### ADB ADDITIONALITY

- > Reduces the perceived risks associated with rooftop solar projects and crowding in local banks.
- > Provides longer-term local currency financing, filling in the critical capital gap in domestic market and enhancing the project's viability.
- > Promotes women's inclusion by encouraging integration of good practices, including ensuring jobs and internship opportunities for women.

## Ayala Electric Mobility Ecosystem Project



Photo by Ayala Corporation.

ADB's loan to Ayala Corporation will finance and/or refinance two electric mobility (e-mobility) subprojects, the procurement and installation of up to 1,700 electric vehicle charging stations (EVCS) in the Philippines, and the procurement of electric vehicles for distribution operation in the Philippines.

### PHILIPPINES

**CLIENT** Ayala Corporation

**COMMITTED FINANCING** \$85 million

### KEY FEATURES

- > At least 40% of the electricity used in the charging network to be sourced from renewable energy sources.
- > Concessional loan from the Canadian Climate and Nature Fund for the Private Sector in Asia addresses gaps in EVCS infrastructure, facilitating faster adoption of electric vehicles.
- > Innovative pricing structure linked to the achievement of the EVCS installation target aimed at accelerating deployment of EVCS infrastructure.
- > First collaboration between ADB and Ayala Corporation.

### ADB ADDITIONALITY

- > Provides technical assistance to support the client in business planning, risk mitigation, and shaping the financing structure, drawing insights from case studies in countries with more advanced e-mobility ecosystems.

## Lhoopa Promoting Green Affordable Housing Project



Photo by Lhoopa Inc..

The ADB loan supports Lhoopa Inc. to provide affordable housing to average income earners in the Philippines, improving their quality of life and reducing the country's housing shortage.

### PHILIPPINES

**CLIENT** Lhoopa, Inc.

**COMMITTED FINANCING** Up to \$5 million

### KEY FEATURES

- > ADB's first private sector infrastructure project to use a revolving credit facility with performance-linked credit limit step-ups, enabling Lhoopa to repay and withdraw the loan as needed. This structure has been specifically developed to maximize the impact of ADB's assistance on Lhoopa's growth.
- > Lhoopa's unique business model empowers small local businesses to construct and sell affordable houses with greater freedom and higher productivity using Lhoopa's proprietary technology platform.

### ADB ADDITIONALITY

- > Catalyzes access to financing by providing stable, long-term funding essential for Lhoopa's growth, and showcasing its innovative business model to attract investment from local and foreign investors into Lhoopa and the broader Philippines housing sector.
- > Uses an innovative financing structure tailored to the unique business needs of a small-scale but rapidly expanding company.
- > Promotes green building practices by encouraging Lhoopa to integrate environment-friendly components into its designs. As a direct result, Lhoopa has committed to the target that by 2025, at least 25% of houses sold will be certified by Excellence in Design for Greater Efficiencies.

## Gulf Solar and Solar with Battery Energy Storage Systems Project



Photo by Gulf Renewable Energy Company Limited.

The ADB loan will finance a portfolio of 12 renewable energy projects in Thailand, comprising eight ground-mounted solar photovoltaic plants with a total contracted capacity of 393 megawatts, and four ground-mounted solar photovoltaic plants with a total contracted capacity of 256 megawatts and 396 megawatt-hours of integrated battery energy storage systems (BESS).

### THAILAND

**CLIENT** Gulf Renewable Energy Company Limited

**COMMITTED FINANCING** \$260 million

### KEY FEATURES

- > ADB as a mandated lead arranger and bookrunner.
- > Southeast Asia's first large-scale, solar BESS procurement.
- > Increasing renewable power delivered to the domestic grid, with at least 1,465 gigawatt-hours of electricity from the portfolio of solar power projects by 2027.

### ADB ADDITIONALITY

- > Provides precedent and demonstration effect by supporting the broader feed-in tariff program in Thailand and validating the deployment of BESS at scale in the region.
- > Provides liquidity and introducing new development finance institution sources of liquidity to the Thai market at a time when the borrower has a substantial capex pipeline.
- > Mobilizes private sector financing into the transaction through risk transfer arrangements from commercial insurers on an unfunded basis.
- > Mobilizes concessional finance to support the BESS integration.

## Regional

## BANPU Electric Tuktuks and Battery Project



ADB supports (i) the financing and/or refinancing of up to 1,500 six-seater electric tuktuks (e-tuktuks) and related charging stations for micro-scale transit services in Bangkok, and (ii) a 1.3-gigawatt-hour expansion of a lithium-ion electric vehicle (EV) battery manufacturing facility in Jiangsu Province in the People's Republic of China to be used primarily for electric mobility applications worldwide.

### REGIONAL (PEOPLE'S REPUBLIC OF CHINA AND THAILAND)

**CLIENT** BANPU Public Company Limited

**COMMITTED FINANCING** \$67.4 million

### KEY FEATURES

- > Local currency financing.
- > Measures to enhance women's participation in BANPU's e-tuktuk (auto rickshaw) operations.
- > Strong demonstration effect, creating a precedence and benchmark for funding and implementation of similar battery EV fleet projects set up by other market participants in Thailand, and elsewhere in Southeast Asia.
- > Contributes to the integration of advanced EV manufacturing capabilities, scaling up of the EV ecosystem in Asia, and smooth transition of the auto industry to EVs.

### ADB ADDITIONALITY

- > Mitigates the capital risk associated with novel micro-transit venture through concessional loan from Clean Technology Fund.
- > Provides technical assistance to support a market study on the urban mobility landscape in other countries in Southeast Asia.
- > Adheres to, and complies with, ADB's *Safeguard Policy Statement* and gender standards, which tackle employment gaps for women in the electric mobility sector and address the safety concerns of female passengers.



## Agribusiness

### Central and West Asia

#### Veyseloglu Modern Retail Expansion Project



Photo by Araz Supermarket.

ADB's financing will support the construction of a dry warehouse and the opening of 45 modern retail stores in and around the capital Baku, including at least five stores in rural areas, using energy-efficient equipment. This will enable the company to expand its procurement of locally produced fruit and vegetables, integrate additional 200 farmers into its supply chain, create more than 3,500 jobs, and reduce the energy intensity of its operations by 10%.

#### azerbaijan

**CLIENT** Araz Supermarket LLC

**COMMITTED FINANCING** \$10 million

#### KEY FEATURES

- > ADB's first financing for a food retail company in Azerbaijan.
- > Promotes sustainable and resilient agrifood system with energy-efficient equipment for air-conditioning, refrigeration, and lighting in stores.
- > Creates inclusive jobs by generating direct employment and enhancing employment opportunities for women.

#### ADB ADDITIONALITY

- > Addresses the limited availability of capital in the domestic market through long-term financing and diversified funding base.
- > Provides knowledge, innovation, and capacity building to improve farmers' financial and technical capabilities, with a clear focus on accelerating gender equality in agriculture.

## East Asia

#### APU Dairy Inclusive Value Chain Development Project



Photo by APU Dairy.

ADB's financing will support APU Dairy's expansion of raw milk procurement and dairy processing capacity, by helping it establish an energy-efficient factory building and 25 new raw milk collection centers within a 450-kilometer radius of the capital Ulaanbaatar; improve the livelihoods of 1,000 herders; and provide employment for 320 additional workers in a gender-inclusive manner.

#### MONGOLIA

**CLIENT** APU Dairy LLC

**COMMITTED FINANCING** \$16.3 million

#### KEY FEATURES

- > Improves rural livelihoods by purchasing raw milk from herders, made possible by the increase in the processing facilities.
- > Enhances environmental resilience of herders by integrating local farmers into the dairy value chain and promoting sustainable farming.
- > Supports emissions reduction through energy-efficient building and use of renewable energy.

#### ADB ADDITIONALITY

- > Provides long-term local currency financing to address the gap in the local financial market.
- > Provides technical assistance to build the capacity of 300 herders on sustainable herd and pasture management, financial literacy, women's equality, disability awareness, and environmental resilience. Pursuant to a memo from December 2024, the technical assistance has been expanded to build the capacity of in total 400 dairy cow herders and 120 yak herders.
- > Promotes gender inclusion by empowering women herders and strengthening inclusiveness in APU Dairy's work environment.

## South Asia

## Meghna Energy-Efficient Flour Milling Project



ADB's investment will finance state-of-the-art machinery and equipment as part of a greenfield flour-milling plant, doubling the Meghna group's wheat flour production capacity in an energy-efficient manner. The new plant will also be capable of producing fortified wheat products and will support the flour market's move toward better quality products, thereby supporting improved nutrition and food safety.

## BANGLADESH

**CLIENT** Tanveer Dal Mill and Flour Mills Limited

**COMMITTED FINANCING** \$20 million

## KEY FEATURES

- › Energy-efficient plant reducing energy consumption by 37%, cutting annual greenhouse gas emissions by 8,200 tons.

## ADB ADDITIONALITY

- › Provides long-term capital and financing structure addresses the financing gap in the local market while reducing refinancing and liquidity risks.
- › Encourages best safeguard practices, allowing the company to move toward the receipt of environmental and social certifications.
- › Promotes inclusion through a gender action plan aimed at enhancing women's representation in the company.

## City Energy-Efficient Oilseed Crushing Project



Photo by City Group.

The ADB loan will support RSCL, a group company of the City Group, which is one of the largest and most diversified conglomerates in Bangladesh, for the development of a new, energy-efficient, multi-oilseed crushing plant to produce crude edible oil and oilseed cake, support diverse oilseed processing, promote climate mitigation, and enhance food security in Bangladesh. With state-of-the-art machinery, the new crushing facility will reduce greenhouse gas emissions and promote environment-friendly agro-processing. The new plant's ability to efficiently switch between oilseeds like soybean, canola, and sunflower will also enable RSCL to maintain resilient operations during crop failures affecting one or more oilseed crops in a season.

## BANGLADESH

**CLIENT** Rupshi Seed Crushing Limited (RSCL)

**COMMITTED FINANCING** \$10 million

## KEY FEATURES

- › Long-tenor foreign currency financing in a difficult macro-economic environment.
- › Promotes energy efficiency and mitigates the impact of climate change.
- › First assistance by a development finance institution to the group's oilseed business.

## ADB ADDITIONALITY

- › Provides long-term capital and financing structure to address Bangladesh's limited foreign currency financing market, support foreign currency inflows, and mitigate higher refinancing and liquidity risks associated with shorter local currency financing.
- › Encourages best safeguard practices and promotes corporate governance by supporting the preparation of an environmental and social management plan and the establishment of improved corporate governance practices.
- › Promotes women's inclusion by designing a gender action plan aimed at adopting good practices on women's equality and empowerment.

## Southeast Asia

## Dali Private Label Supplier Network Expansion Project



Photo by HDPM Sin Pte, Ltd.

ADB's equity investment in Dali will finance the expansion of Dali's network of hard-discount retail stores and distribution centers, and procurement from local private label suppliers. It will also fund off-grid rooftop solar panels and green building certifications for some stores and distribution centers to support energy cost savings and reduce the carbon footprint of Dali's operations.

## PHILIPPINES

**CLIENT** HDPM Sin Pte, Ltd.

**COMMITTED FINANCING** \$10 million

## KEY FEATURES

- > Expand the hard-discount retail model in the Philippines, developing stores in rural and peri-urban areas.
- > Enhance food security and safety by offering discounted prices, bulk packaging, competitive pricing, and hygienic and convenient shopping environment.
- > Support local supply chains and employment by collaborating with local suppliers.
- > Cut carbon emissions by installation of stand-alone, off-grid photovoltaic systems at stores and distribution centers.
- > Strengthen waste recycling initiatives by implementing recycling systems, and registering with the Plastic Credit Exchange as a plastic waste aggregator.

## ADB ADDITIONALITY

- > Provides equity to an agribusiness, filling the financing gap created by the scarcity of capital.
- > Strengthens best practices via an agreed action plan on corporate governance, women's inclusion, and safeguards.
- > Provides capital mobilization to close the round on time.

## Regional

## ECOM Climate-Resilient Coffee Value Chain Project



ADB's investment will finance permanent working capital, including (i) inventories, receivables, and advances to smallholder farmers for coffee procurement; and (ii) support operating expense requirements, including extension services for ECOM in India, Indonesia, Papua New Guinea, and Viet Nam. At least 15% of the financing shall be utilized only in Papua New Guinea, and 2% shall be utilized toward operating expense requirements.

**REGIONAL** (INDIA, INDONESIA, PAPUA NEW GUINEA, VIET NAM)

**CLIENT** ECOM Agroindustrial Corporation Limited and ECOM Agroindustrial Asia Private Limited

**COMMITTED FINANCING** \$100 million

## KEY FEATURES

- > Benefits more than 62,000 smallholder farmers.
- > Provides farmers with access to reliable income, enabling investments in climate-smart agricultural practices and supporting their resilience to climate change and long-term livelihoods.
- > Enhances ECOM's sustainability initiatives under its Sustainability Management Systems Program.

## ADB ADDITIONALITY

- > Provides innovative financing structures and instruments (verified social loan).
- > Mobilizes cofinancing via risk transfer arrangements and potential parallel loan.
- > Provides technical assistance to build capacity of smallholder coffee farmers in Papua New Guinea and Viet Nam in climate resilience and regenerative coffee-based diverse agroforestry system, and to increase women's influence in decision-making.



## Education East Asia

### Orchlon School Green Campus Expansion Project



Photo by Orchlon.

ADB's financing will fund the construction and operation of a four-floor school annex, which will (i) serve up to 672 students; (ii) include modern facilities such as laboratories for science, arts, and engineering courses; (iii) contain indoor multipurpose halls for sports; (iv) incorporate sustainable and energy-efficient features; and (v) be certified Excellence in Design for Greater Efficiencies Level 1.

#### MONGOLIA

**CLIENT** Orchlon School and Kindergarten Complex LLC

**COMMITTED FINANCING** \$13.4 million

#### KEY FEATURES

- > First ADB private sector investment in a Mongolian school.
- > To be the first internationally certified green educational facility in Mongolia.
- > Improves accessibility to (i) high-quality, bilingual Cambridge international curriculum; and (ii) online, free, high-quality educational videos accessible for students, teachers, and parents, especially in underserved or low-income areas.

#### ADB ADDITIONALITY

- > Long-term local currency financing minimizes foreign currency risks for the borrowers, and addresses gaps in the country's underdeveloped capital markets.

### China Education Group Climate Adaptive Education Project



The ADB loan will finance the construction and operation of Yantai's Phase I climate-adaptive campus and CEG's refinancing needs to support its institutes in the People's Republic of China.

#### PEOPLE'S REPUBLIC OF CHINA

**CLIENT** China Education Group Holdings Limited (CEG)

**COMMITTED FINANCING** \$98.3 million

#### KEY FEATURES

- > Yantai to offer courses that cater to the silver and green economies, such as health services, robotics engineering, automation, and intelligent manufacturing to meet the strong demand.
- > Yantai campus to emphasize resilient infrastructure and smart technologies, including at least 35% of plantation coverage, a rainwater collection system, absorptive landscaping to reduce runoff, flood walls, and water recycling systems.
- > A sustainable development model with potential for replication by other educational institutions.

#### ADB ADDITIONALITY

- > Provides long-term financing, addressing the market gap faced by private education companies.
- > Mobilizes cofinancing, diversifying the CEG's creditor base.

## Health South Asia

### Ankura Women and Children Hospitals Expansion Project



Photo by Ankura.

AMPL will use the ADB loan to (i) add five new hospitals with 500 beds; (ii) upgrade its existing hospitals, adding 20 additional beds, medical equipment, and services; (iii) fund working capital; (iv) install rooftop solar power systems at select hospitals; (v) strengthen training capacity for high-quality clinical operations; and (vi) reimburse capital expenditure through bridge financing, shareholder loans, or internal accruals starting 1 April 2024.

#### INDIA

**CLIENT** Ankura Medical & Research Centre Private Limited (AMPL)

**COMMITTED FINANCING** \$19.4 million

#### KEY FEATURES

- > Demonstrates viability and scalability of private maternal and child health care to low- and middle- income patients, including government health insurance beneficiaries.
- > Increases postgraduate doctor-training capacity in hospitals, encouraging work in underserved Tier 2 and Tier 3 cities.

#### ADB ADDITIONALITY

- > Addresses key challenges such as unmet need for specialized maternal and child health care, geographic inequities in access, and high capital costs of building new hospitals.
- > Provides long-term financing and a 2-year grace period, allowing AMPL to operationalize new hospitals and achieve profitability before starting principal repayments.
- > Enables leveraging leases to boost debt capacity and enhance security for leasehold improvements, through innovative financing structure using AMPL's leasehold rights as security.
- > Enhances women's labor force participation by designing a gender plan that prioritizes a safer, more equitable workplace.

## Finance Central and West Asia

### BasisBank Sustainability Bond Project



Proceeds of ADB's investment in the sustainability bond issued by JSC BasisBank will finance sustainable and social sector projects, following the National Bank of Georgia's Sustainable Finance Taxonomy. By supporting the issuance of a sustainability bond certified by an independent second party, ADB aims to raise market awareness and develop thematic bond markets in the region.

#### GEORGIA

**CLIENT** Joint Stock Company BasisBank

**COMMITTED FINANCING** \$15 million

#### KEY FEATURES

- > ADB is the anchor investor in the bond.
- > The bond is the first certified sustainability bond issued by a commercial bank in the Georgian Stock Exchange.
- > Builds on the work and reputation that ADB has established in Georgia as a pioneer investor in thematic bonds.
- > The bond complies with a sustainability bond framework under the International Capital Market Association's Sustainability Bond Guidelines and validated by Det Norske Veritas.

#### ADB ADDITIONALITY

- > New financial product, the first sustainability bond issued by a bank in Georgia, paving a way for similar issuances by other banks.
- > Provides an innovative financial structure, made possible by ADB's anchor investment and expertise.
- > Provides capital markets and thematic bond markets development as well as raises market awareness.

## Arnur Credit Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprise Borrowers Project



ADB's financing will support onlending to micro, small, and medium-sized enterprises (MSMEs), with at least 50% allocated to women-led MSMEs and 10% for loans promoting resource efficiency and small-scale renewable energy.

### KAZAKHSTAN

**CLIENT** Microfinance Organization Arnur Credit Limited Liability Company

**COMMITTED FINANCING** \$5 million

### KEY FEATURES

- > The project will finance MSMEs to grow their businesses and support initiatives to reduce carbon emissions, fostering a more sustainable and equitable economy.
- > Arnur Credit will leverage its strong position and reputation to expand its product offerings, including digital banking, and improve service quality.

### ADB ADDITIONALITY

- > Provides medium-term local currency funding to address Arnur Credit's lack of access to finance due to its nondeposit-taking status and the country's underdeveloped finance sector.
- > Implements a gender action plan to increase lending to women-owned MSMEs and enhance nonfinancial support for women entrepreneurs.

## Bank Ipak Yuli Supporting Sustainable and Inclusive Access to Finance Project



ADB's financing will be onlent to micro, small, and medium-sized enterprises, with at least (i) 60% located outside the capital, Tashkent; (ii) 20% owned or led by women; and (iii) 10% for sustainable technology investments, a nascent but growing segment for Uzbekistan banks.

### UZBEKISTAN

**CLIENT** Joint Stock Innovation Commercial Bank Ipak Yuli

**COMMITTED FINANCING** \$48.9 million

### KEY FEATURE

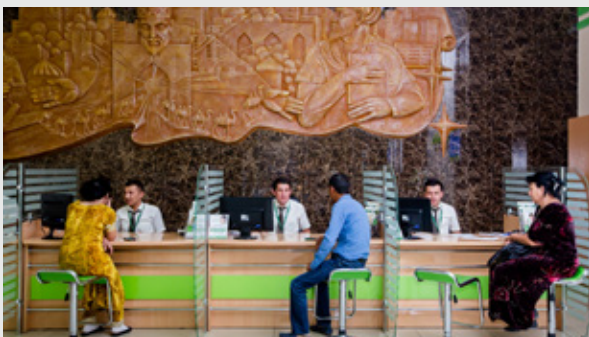
- > Supports financial inclusion of micro, small, and medium-sized enterprises.

### ADB ADDITIONALITY

- > Medium-term local currency financing reduces the finance gap caused by the scarcity of local currency, as well as helps overcome competition from larger banks and market hesitancy in investing in Uzbekistan sum.



## Hamkorbank Supporting Sustainable and Inclusive Access to Finance Project



ADB's financing will be onlent to micro, small, medium-sized enterprises, with at least (i) 80% located outside the capital, Tashkent; (ii) 20% owned or led by women; and (iii) 10% for green technology investments, a nascent but growing segment for Uzbekistan banks.

### UZBEKISTAN

**CLIENT** Joint Stock Commercial Bank with Foreign Capital Hamkorbank

**COMMITTED FINANCING** \$48.6 million

### KEY FEATURE

- > Supports financial inclusion of micro, small, and medium-sized enterprises.

### ADB ADDITIONALITY

- > Medium-term local currency financing reduces the finance gap caused by the scarcity of local currency, as well as helps overcome competition from larger banks and market hesitancy in investing in Uzbekistan sum.

## East Asia

## Bogd Bank Financing Micro, Small, and Medium-Sized Enterprises and Promoting Green Lending Activities Project



ADB's financing funds Bogd Bank's lending to micro, small, and medium-sized enterprises (MSMEs) in Mongolia, including those led by women, and support their access to finance. By improving access to finance, the project will support MSME expansion, diversification of the economy, jobs creation, and poverty reduction in the country. It also promotes lending focused on environmental outcomes to MSMEs by funding energy-efficiency initiatives and small-scale renewable energy installations.

### MONGOLIA

**CLIENT** Bogd Bank JSC

**COMMITTED FINANCING** \$14 million

### KEY FEATURE

- > ADB's first private sector finance project to use blended finance to support a financial institution's sustainable finance operations in Mongolia.

### ADB ADDITIONALITY

- > Provides critically needed longer-term finance not easily accessible in local markets, thereby reducing the bank's funding risk and helping it expand its MSME lending.
- > Uses blended finance to promote lending focused on environmental outcomes by incentivizing MSMEs to purchase energy-efficient equipment that will help develop the bank's green loan product line.
- > Enhances sustainable finance capacity building in Mongolia through a technical assistance.
- > Supports women's financial inclusion by setting gender-specific loan targets, and including measures to expand Bogd Bank's outreach to women-led MSMEs, introduce new financial products, and launch business support services for women entrepreneurs.

## Khan Bank Green Bond Investment Project



ADB's assistance entails investment in two green bonds issued by Khan Bank, including the second bond of \$7.5 million to be issued in 2025. The proceeds of ADB's financing in the Khan Bank's green bonds will fund subprojects eligible under their Green Bond Framework.

### MONGOLIA

**CLIENT** Khan Bank JSC

**COMMITTED FINANCING** \$12.5 million

### KEY FEATURES

- > Promotes domestic capital markets through the first green bond listing on the Mongolian Stock Exchange.
- > Advances affordable sustainable investment financing in Mongolia.
- > Boosts women borrowers' access to green finance.

### ADB ADDITIONALITY

- > Innovative financing structures and instruments expected to boost the emerging domestic green bond market by increasing investor interest and promoting this new instrument for funding the country's green development.
- > Provides knowledge, innovation, and capacity building to improve due diligence on complex subprojects; estimate the green impact of the bond; and monitor, report, and address any execution issues.

## XacBank Supporting Climate and Inclusive Finance Project



ADB's financing will support XacBank's environmentally sustainable finance operations, as well as its lending operations to micro, small, and medium-sized enterprises, including those owned and/or led by women in Mongolia.

### MONGOLIA

**CLIENT** XacBank JSC

**COMMITTED FINANCING** \$40 million

### KEY FEATURES

- > Complements ADB's proposed programmatic climate change policy-based lending that aims to deliver longer-term institutional and policy reforms, to create an enabling environment to accelerate and maintain sustainable investments, especially from the private sector.

### ADB ADDITIONALITY

- > Provides long-tenor financing to address the funding gap resulting from international commercial banks' reluctance to provide long-term loans due to concerns over country risk.
- > Concessional loan from Canadian Climate and Nature Fund for the Private Sector in Asia exclusively for climate finance.
- > Provides technical assistance to strengthen the capacity of XacBank and other banks in sustainable finance, to promote knowledge sharing on climate finance best practices, and to enhance the finance sector's ability to engage in and expand sustainable lending activities.
- > Supports gender inclusiveness through an assessment and action plan that will enhance women's access to finance.

## Huaneng Tiancheng Distributed Wind Energy Climate Finance Project



Photo by HTFL.

The proceeds of the ADB financing will fund the development and operation of distributed wind energy (DWE) plants in the People's Republic of China, excluding in several western and northern provinces where (i) installed wind energy generation capacity exceeds local demand, (ii) wind power relies on long-distance, ultra-high voltage transmission, and (iii) wind power faces grid curtailment.

### PEOPLE'S REPUBLIC OF CHINA

**CLIENT** Huaneng Tiancheng Financial Leasing Co., Ltd. (HTFL)

**COMMITTED FINANCING** \$54.2 million

#### KEY FEATURES

- > ADB's first private sector loan to a financial institution for DWE infrastructure.
- > HTFL's first loan from a development finance institution.
- > A viable model for financing distributed wind projects that aggregate small subprojects from villages, industrial parks, and transport corridors.

#### ADB ADDITIONALITY

- > Provides long-tenor financing and mobilizing commercial cofinancing to help HTFL diversify funding sources and improve its maturity profile, enhancing the project's viability and enabling scalability.
- > Facilitates policy dialogue to unlock bottlenecks for DWE development and enable greater private sector participation.
- > Shares green finance knowledge with HTFL to promote renewable energy development and disseminate innovative financing models.
- > Enhances environmental and social safeguard standards through the establishment of an environmental and social management system that meets the requirements of ADB's *Safeguard Policy Statement*.

## South Asia

## Shriram Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprises Project



ADB's financing will support SFL to expand its capacity to provide financing for micro, small, and medium-sized enterprises (MSMEs) in India for their purchase of electric vehicles, low-emission vehicles compliant with Bharat Stage VI standards, and for general business loans, including women-owned MSMEs (WMSMEs) and MSMEs located in lagging states.

### INDIA

**CLIENT** Shriram Finance Limited (SFL)

**COMMITTED FINANCING** \$150 million

#### KEY FEATURES

- > Up to 75% of total ADB loan proceeds will be allocated to MSME lending, of which (a) at least 15% will be onlent to WMSMEs and (b) at least 25% will be deployed for MSMEs in lagging states.
- > At least 25% of total ADB loan proceeds will be allocated for electric vehicle financing for MSMEs' business purposes.

#### ADB ADDITIONALITY

- > Mobilizes resources from other private sector institutions, enabling a larger loan package and diversifying funding sources for SFL.
- > Encourages sustainable transport, better-served MSMEs, and longer-tenor funding supporting historically underserved MSMEs and accelerating pollution prevention by driving the adoption of electric and low-emission vehicles.



## SK Finance Supporting Financing for Micro, Small, and Medium-Sized Enterprises and Electric Vehicles Project



ADB's long-term loan will support (i) lending to micro, small, and medium-sized enterprises (MSMEs), with at least 60% of the financing to be provided to MSMEs owned or led by women (WMSMEs); and (ii) lending for the purchase of electric vehicles (EVs). At least 20% of the loan proceeds will be utilized to finance the purchase of EVs and up to 80% will be utilized for onlending to MSMEs.

### INDIA

**CLIENT** SK Finance Limited (SKF)

**COMMITTED FINANCING** \$100 million

### KEY FEATURES

- > ADB's first results-based pricing incentive to a financial intermediary in India.
- > Mainstreaming of EVs financing.

### ADB ADDITIONALITY

- > Encourages increased EV financing through results-based pricing incentive and risk mitigating structure.
- > Advances gender equality by expanding SKF's women's portfolio and increasing women's representation in its workforce.

## Vastu Housing Supporting Access to Finance for Lower-Income Housing and Sustainable Housing Project



Vastu Housing Finance Corporation Limited will use the proceeds of ADB's financing to onlend for housing loans, with 90% of the ADB financing to be provided to economically weaker section and low-income group segments, where the borrower or co-borrowers are female. At least 15% of such loans will be directed toward new-to-credit borrowers, and at least 50% will be to borrowers in lagging states in India. The remaining 10% will be directed toward sustainable housing loans.

### INDIA

**CLIENT** Vastu Housing Finance Corporation Limited

**COMMITTED FINANCING** \$70 million

### KEY FEATURES

- > First project supporting the financing of certified self-constructed sustainable housing in India.
- > Addresses the critical housing shortage in India while promoting environment-friendly housing.

### ADB ADDITIONALITY

- > Minimizes asset-liability mismatch and supports the diversification of funding sources through long-tenor financing.
- > Catalyzes large financing by mobilizing risk transfers.

## Vivriti Capital Climate Finance Project



The ADB debt security will be used to finance enterprise and retail borrowers in electric vehicle, solar and wind energy, and waste management sectors, with at least 30% allocated to electric vehicle ecosystem financing.

### INDIA

**CLIENT** Vivriti Capital Limited (VCL)

**COMMITTED FINANCING** \$25 million

#### KEY FEATURES

- > First certified climate bond issued by a medium-sized nonbank financial company in India.
- > The bond, certified by the Climate Bonds Initiative, enhances access to sustainable finance for financially underserved enterprises, including micro, small, and medium-sized enterprises and mid-market corporates, and retail clients in India.
- > Bridges the large market gap for sustainable finance in India while supporting the development of the capital market.
- > Local currency financing.

#### ADB ADDITIONALITY

- > A new financial product supports climate finance, with a demonstration effect likely to encourage other nonbanking financial companies to develop green finance frameworks and issue climate bonds or loans.
- > Longer-tenor financing to support the need of longer-tenor products, enhancing VCL's asset-liability matching profile and aligning with the tenors of its loans for climate finance projects.
- > Provides knowledge support to enhance VCL's green finance framework and prepare for third-party certification for a climate bond, as well as to prepare the pre- and post-nonconvertible debenture issuance verification report required for certified climate bond issuances.

## Southeast Asia

## Asialink Promoting Small and Medium-Sized Enterprise Financing Through Secured Vehicle Lending Project



Photo by Asialink.

ADB's financing will support AFC's plan to expand its funding to finance the working capital needs of small and medium-sized enterprises (SMEs) and entrepreneurs, including those owned by women and female entrepreneurs in the Philippines.

### PHILIPPINES

**CLIENT** Asialink Finance Corporation (AFC)

**COMMITTED FINANCING** \$50.1 million

#### KEY FEATURES

- > ADB as the mandated lead arranger and bookrunner.
- > First lender to AFC among the development finance institutions.

#### ADB ADDITIONALITY

- > Longer-term local currency funding that addresses the shortage of longer-term financing for SMEs in the local market and addresses currency volatility.
- > Mobilizes cofinancing from parallel lenders and the local commercial banks.
- > Advances women's economic empowerment by increasing financing to SMEs owned by women and promoting women's inclusion in AFC's operations.

## Ngern Tid Lor Access to Finance for Rural Women and Agribusiness Micro, and Small and Medium-Sized Enterprises Project



ADB financing will be used to onlend to Thailand's underserved rural micro, small, and medium-sized enterprises (MSMEs), particularly those owned and led by women (75%) and operating within the country's agricultural value chain (25%). All of ADB's loan will be for MSMEs in rural Thailand. A technical assistance attached to the project will help NTL develop a social finance framework.

### THAILAND

**CLIENT** Ngern Tid Lor Public Company Limited (NTL)  
**COMMITTED FINANCING** \$150 million

### KEY FEATURES

- > ADB's first private sector loan through the finance sector in Thailand, and the second private sector intervention to increase access to finance for MSMEs in Thailand.
- > The ADB loan will promote inclusive finance through the use of proceeds and reporting transparency through a social finance framework.
- > ADB's first local currency debt to a private sector finance institution in Thailand.

### ADB ADDITIONALITY

- > Supports access to finance for women and agribusiness microenterprises by assisting NTL to improve inclusion of women in its operations and increase its nonfinancial service offering to women borrowers.
- > Develops social finance framework in Thailand to ensure the use of proceeds of the ADB loan is in line with the Association of Southeast Asian Nations' social bond principles.
- > Contribution to NTL's diversification in local currency debt funding sources supports NTL's expansion of operations in rural Thailand.

## TCRB Expanding Access to Finance for Micro, Small, and Medium-Sized Enterprises Project



ADB's equity investment in the TCRB will act as growth capital, enabling the bank to further expand its micro, small, and medium-sized enterprises (MSMEs); nanofinance; and microfinance businesses. This investment will support fostering financial inclusion and economic development in Thailand. ADB came in as a cornerstone investor in TCRB's initial public offering.

### THAILAND

**CLIENT** Thai Credit Retail Bank Public Company Limited (TCRB)  
**COMMITTED FINANCING** \$40 million

### KEY FEATURES

- > ADB is the first development finance institution equity investor in TCRB.
- > TCRB has a unique business model and is the only bank in Thailand focused primarily on MSMEs.
- > This is ADB's first equity investment and first transaction with a Thai financial institution.

### ADB ADDITIONALITY

- > Expands access to finance for underserved segments by supporting scale-up of TCRB's operations in key MSME, nano, and microfinance segments.
- > Provides growth capital and attracting private capital to strengthen the bank's capital adequacy and help mobilize capital during the bank's initial public offering.
- > Ensures implementation of an action plan to incorporate measures to improve focus on women in TCRB's business activities.
- > Strengthens environmental and social standards and corporate governance within TCRB.



## LPB Expanding Access to Finance for Women-Owned Small and Medium-Sized Enterprises Project



ADB's financing will help LPB to expand access to finance for women-owned small and medium-sized enterprises (WSMEs) in Viet Nam, and provide tailored advisory services, thereby empowering women entrepreneurs to thrive and contribute to the country's economic growth.

### VIET NAM

**CLIENT** Lien Viet Post Joint Stock Commercial Bank (LPB)  
**COMMITTED FINANCING** \$30 million

#### KEY FEATURES

- ADB's loan proceeds to provide financing to rural and urban WSMEs.
- A Women Entrepreneurs Finance Initiative-funded performance-based grant, attached to the loan, to encourage LPB to invest in its own capacity and processes to introduce gender-responsive financial products and advisory support services.

#### ADB ADDITIONALITY

- Increases access to finance for women-owned businesses and encouraging LPB to introduce measures to overcome barriers such as the lack of formal financial records, collateral, and differentiated financial products for WSMEs.
- Catalyzes commercial and developmental finance by leveraging ADB's funding to attract additional longer-term financing, thereby deepening its relationship with new lenders and further diversifying funding sources.
- Strengthens environmental and social standards by ensuring compliance with ADB's environmental and social requirements.

## Pacific

## MFL Increasing Access to Finance for Small and Medium-Sized Enterprises, Including Women-Owned SMEs Project



ADB's financing to MFL will increase its capacity to finance the underserved segment of small and medium-sized enterprises (SMEs), especially those owned by women (WSMEs).

### FIJI

**CLIENT** Merchant Finance Pte Limited (MFL)  
**COMMITTED FINANCING** \$4 million

#### KEY FEATURES

- First ADB private sector transaction in the finance sector in Fiji in local currency.
- First use of funds from the Women Entrepreneurs Finance Initiative (We-Fi) in the Pacific.

#### ADB ADDITIONALITY

- Provides an innovative financing structure and instrument that uses We-Fi grant to increase their outreach to WSMEs.
- Supports diversification of MFL's funding sources while reducing currency exposure via long-term local currency financing.
- Provides technical assistance to MFL to improve underwriting standards for SME lending; build staff capacity on environmental, social, and governance matters; and provide financial literacy training for sub-borrowers.
- Increases financing to WSMEs.

## Private Equity Regional

### ABC Impact Fund II LP



ADB's equity investment in ABC Impact II will provide growth capital to viable innovative business models advancing the United Nations' Sustainable Development Goals in Asia, particularly in the People's Republic of China, India, Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam. It will invest across four thematic sectors: (i) better health care and education, (ii) financial and digital inclusion, (iii) sustainable food and agriculture, and (iv) environment and water solutions.

**REGIONAL** (PEOPLE'S REPUBLIC OF CHINA, INDIA, INDONESIA, MALAYSIA, PHILIPPINES, THAILAND, VIET NAM)

**CLIENT** ABC Impact Fund II LP

**COMMITTED FINANCING** \$20 million

#### KEY FEATURES

- > Contributes to market development by demonstrating the feasibility of balancing impactful investments with risk-adjusted returns.
- > The only active and institutionally backed impact fund dedicated to supporting the growth of impact-driven companies in developing Asia.

#### ADB ADDITIONALITY

- > Supports the fund to embed gender lens investing into its investment strategy and approach, and improve women's access to finance.
- > Facilitates the development of a robust climate framework for ABC Impact II by leveraging ADB's internal capabilities.

### Actis Asia Climate Transition SCSp



ADB's investment in Actis Asia Climate Transition SCSp, which will be managed by Actis, will invest in renewable energy, energy solutions, and sustainable transportation companies that focus on curbing carbon pollution by avoiding or reducing carbon dioxide emissions. It will primarily invest in companies operating in Asia and the Pacific, including the People's Republic of China, India, Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam.

**REGIONAL** (PEOPLE'S REPUBLIC OF CHINA, INDIA, INDONESIA, MALAYSIA, PHILIPPINES, THAILAND, VIET NAM)

**CLIENT** Actis Asia Climate Transition SCSp

**COMMITTED FINANCING** \$50 million

#### KEY FEATURES

- > The project is expected to support Asia's emission reduction initiatives to transition the region's economy to net zero.
- > The project measures and monitors the development outcomes of each investment based on the UN Sustainable Development Goals. The project calculates an impact multiple at exit and reports on the impact returns and the financial performance.

#### ADB ADDITIONALITY

- > Helps the fund achieve a minimum size necessary to properly execute its investment strategy and create a diversified portfolio.
- > Supports the fund to adopt gender lens investing to ensure underlying investments enhance women's access to resources and opportunities, promote economic empowerment through financial inclusion, and strengthen gender equality.

### Creador VI, L.P.



ADB's financing will support growing and well-managed middle-market companies (with revenues between \$10 million and \$1 billion) in India and Southeast Asia by improving their access to the growth capital required to scale up operations, introduce new products or services, and expand into new markets.

**REGIONAL** (BANGLADESH, INDIA, INDONESIA, MALAYSIA, PHILIPPINES, SRI LANKA, THAILAND, VIET NAM)

**CLIENT** Creador VI L.P.

**COMMITTED FINANCING** \$75 million

#### KEY FEATURES

- > First multisector fund in ADB's portfolio to adopt and implement sustainability considerations in its investment processes and in the monitoring and reporting of related metrics.

#### ADB ADDITIONALITY

- > Promotes equality of women by strengthening gender lens investing responsiveness both within Creador and among investees.
- > Encourages a climate policy that incorporates related considerations in evaluation and portfolio management of Creador's investments.

### Equity Investment in Jungle Ventures V, L.P.



Jungle Ventures is a multisector venture capital fund that invests in early-stage companies operating in the consumer, financial services, and business services sectors operating in India and Southeast Asia. ADB's equity investment will support Jungle Ventures' goals of achieving development and sustainable growth outcomes in areas such as financial inclusion, economic empowerment of small and medium-sized enterprises, and the promotion of technology and innovation to improve access to health care and education, and reduce annual carbon emissions.

**REGIONAL** (INDIA, INDONESIA, MALAYSIA, PHILIPPINES, THAILAND, VIET NAM)

**CLIENT** Jungle Ventures V, L.P.

**COMMITTED FINANCING** \$20 million

#### KEY FEATURES

- > New client relationship for ADB.
- > Provides early-stage growth capital to promising startups and emerging companies, promoting innovation and technological advancements for wider digital participation.

#### ADB ADDITIONALITY

- > Promotes financing focused on women by supporting Jungle Ventures in integrating women into its investment strategy, and implementing a plan to increase women's participation in senior management or investment roles and build the capacity of investment staff.



## Keppel Private Credit Fund III LP



ADB's equity investment in the private credit fund will (i) support the development of Asia's nascent private credit market and (ii) address the region's infrastructure financing gap in a climate-sensitive manner with a gender lens.

**REGIONAL** (PEOPLE'S REPUBLIC OF CHINA, INDIA, INDONESIA, MALAYSIA, PHILIPPINES, THAILAND, VIET NAM)

**CLIENT** Keppel Private Credit Fund III LP

**COMMITTED FINANCING** \$50 million

### KEY FEATURES

- > The investment is ADB's first investment in a private credit fund in over a decade. The fund will complement ADB's lending activities by targeting financing needs that extend beyond the scope of conventional senior debt providers.

### ADB ADDITIONALITY

- > Advances gender equality by supporting Keppel Credit in adopting gender lens investing and achieving alignment with 2X criteria, leveraging its in-house expertise.

## Lakeshore Capital III LP.



ADB's investment in Lakeshore III, a multisector private equity fund, will support the growth of 9–12 middle-market companies primarily operating in Thailand, with revenues ranging between \$10 million and \$150 million. Lakeshore III may also invest in businesses operating in Cambodia, the Lao People's Democratic Republic, and Viet Nam, preferably with linkages to Thailand. The fund's investments will focus on sectors driven by Thailand's expanding middle class, aging population, and maturing economy, including health and wellness, food and pharmaceutical retail, software, consumer services, food production, manufacturing, and education.

**REGIONAL** (CAMBODIA, LAO PEOPLE'S DEMOCRATIC REPUBLIC, THAILAND, VIET NAM)

**CLIENT** Lakeshore Capital III

**COMMITTED FINANCING** \$20 million

### KEY FEATURES

- > Provides expansion capital to privately owned middle-market companies that traditional banks may not finance.
- > Assists investee companies in enhancing their environmental, social, and governance practices.
- > Demonstrates the efficacy of private equity platforms in driving growth of Thailand's private sector companies.

### ADB ADDITIONALITY

- > Infuses capital into middle-market companies that enables expansion, new product development, and innovation, creating an economic multiplier effect that increases employment and productivity.
- > Implements an impact investment scorecard by Lakeshore III to evaluate its investee companies.
- > Adopts a climate change framework by Lakeshore III, to guide the fund toward more efficient capital allocation and a transition to a sustainable, low-carbon business model.

## Southeast Asia Clean Energy Fund II, L.P.



Photo by Southeast Clean Energy Fund.

ADB's financing will support early-growth-stage investments in renewable energy, energy solutions, and sustainable transportation companies in Southeast Asia that utilize scalable business models and proven low-carbon technologies.

**REGIONAL** (INDONESIA, PHILIPPINES, VIET NAM)

**CLIENT** Southeast Asia Clean Energy Fund II, L.P. (SEACEF)

**COMMITTED FINANCING** \$5 million

### KEY FEATURES

- > ADB's first private equity fund investment with a gender equity theme categorization.
- > Structured as a blended finance vehicle with two classes of shares: (i) a junior equity tranche, funded mainly by philanthropic entities to provide downside protection and catalyze institutional investors; and (ii) a senior equity tranche, to be subscribed by institutional investors.
- > Helps meet the climate finance gap through long-term equity finance, especially for small-scale energy infrastructure companies.
- > Concessional equity to derisk early-stage infrastructure companies, making them more attractive to private investors.

### ADB ADDITIONALITY

- > Advances equality across investee companies through the application of gender lens in SEACEF's investment strategy and approach.
- > Encourages knowledge, innovation, and capacity building by providing technical assistance resources and leveraging energy sector expertise.





## **Private Sector Operations in 2024**

### *Report on Development Effectiveness*

This report reviews the 2024 performance and development impacts of the Private Sector Operations Department of the Asian Development Bank (ADB). It notes ADB's strengthened emphasis on the private sector and details how private sector operations have responded through projects and programs that have contributed to development in areas including environmental resilience, renewable energy, empowerment of women, food security, sustainable transport, and financing for small businesses leading to effectiveness of its work and contributions to sustainable development.

### **About the Asian Development Bank**

ADB is a leading multilateral development bank supporting sustainable, inclusive, and resilient growth across Asia and the Pacific. Working with its members and partners to solve complex challenges together, ADB harnesses innovative financial tools and strategic partnerships to transform lives, build quality infrastructure, and safeguard our planet. Founded in 1966, ADB is owned by 69 members—50 from the region.

