

# Chair's Summary of Meeting of the Board of Directors

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29 June 2009

## **Energy Policy**

1. The Board of Directors discussed the R-paper on the Energy Policy. The R-paper recommended the approval of the 2009 Energy Policy, as described in paragraphs 13-15, and the endorsement of the Energy Policy Implementation, as set out in paragraphs 16-46, which taken together would replace the 1995 Energy Policy and the 2000 Review of the 1995 Energy Policy.
2. The Board approved the recommendation in paragraph 51 of the R-Paper.
3. The Directors supported the policy objective and the principles for policy implementation. They agreed that policy implementation will be guided by three pillars: (i) promoting energy efficiency and renewable energy, (ii) maximizing access to energy for all, and (iii) promoting sector reform, capacity development and governance. Some Directors emphasized the urgency for meeting the growing energy demand in Asia, and suggested that extending energy to all be the focus during implementation of clean and renewable projects, as well as prescribing reforms. A few Directors mentioned that a balance among the three pillars would help in optimizing ADB's development impacts. Many Directors agreed that the specific needs and resources of different developing member countries (DMCs) have to be considered in implementing the 2009 Energy Policy at the country level. Some Directors emphasized the importance to the monitoring indicators in the results framework. Many Directors supported to seek collaboration with a wide range of development partners for strengthening policy implementation, mobilizing funds and designing new initiatives. A few Directors commented on the human resource and budget implications of the policy implementation.
4. Some Directors agreed to providing assistance for coal-based power projects when cleaner technologies, as technically feasible, are adopted and required mitigation measures are incorporated. But some Directors also recognized the conflict between using coal to meet growing energy demand for economic growth and higher greenhouse gas emissions. Many Directors supported the advocacy and assistance to DMCs for technology transfer and deployment. While many Directors supported ADB's assistance to help DMCs move toward a low carbon economy, a few Directors also agreed that a specific reduction target was not necessary for greenhouse gas reduction. Some Directors suggested that a timetable be set for a review of the Energy Policy.
5. One Director stated that the Extractive Industry Transparency Initiative should not be a mandatory prerequisite for financing any coal-mining project and this condition should be deleted. Another Director commented that these can only be added in a phased manner.