

1995

2000

2009

STRATEGIC FRAMEWORK	<p><u>Moving the Poverty Reduction Agenda Forward in Asia and the Pacific (2001-2015)</u></p> <p>Sustainable economic growth including an environment program that addresses environmental sustainability</p>				<p><u>Strategy 2020</u></p> <p>The three pillars/ key focal areas under Strategy 2020 are: (i) regional integration, (ii) inclusive economic growth, and (iii) environmentally sustainable growth</p>
ENERGY POLICIES	<p><u>ADB's Policy Initiatives for the Energy Sector May 1995</u></p> <p>Enhancing the efficiency of production, transportation, &amp; end use of energy and integrating environmental considerations in all energy sector activities to enable sustainable development</p>	<p><u>Energy 2000: Review of the Energy Sector Policy of ADB</u></p> <p>Energy sector operations will be aligned with the three pillars (pro-poor sustainable economic growth, inclusive social development, and good governance) of its poverty reduction strategy.</p> <p>Measures for efficiency improvement, energy conservation, and renewable energy emphasized</p>			<p><u>ADB's Energy Policy 2009</u></p> <p>Put in place to meet energy security needs, facilitate a transition to a low-carbon economy, universal access to energy, and achieve ADB's vision of a region free of poverty.</p> <p>Increase clean energy investments to \$2 billion per year from 2013</p>
INITIATIVES	<p>Asia Least-cost Greenhouse Gas Abatement Strategy (ALGAS) Project 1995 - 2000</p>	<p>Promotion of Renewable Energy, Energy Efficiency, and GHG Abatement Projects (PREGA) 2000 - 2007</p>	<p>Energy Efficiency Initiative (EEI) 2005 - 2009</p>	<p>Energy for All (EfA)</p>	<p>Clean Energy Program</p>
FUND SOURCES	<p>Funded by the Global Environment Facility (GEF) through the UNDP, ADB, the Government of Norway</p>	<p>Funded by ADB and the Government of Netherlands</p>	<p>Funded by TASF &amp; Climate Change Fund</p>	<p>Funded by Government of the Netherlands</p>	
OBJECTIVES & TARGETS	<p>Program to help 11 DMCs (ALGAS-11) to meet their commitments under the UN Framework Convention on Climate Change, to raise awareness, and to build their capacity to benefit from the CDM</p>	<p>Program to promote investments in RE, EE, and GHG Abatement (REGA) technologies that will increase access to energy services by the poor, realize other strategic development objectives and help reduce GHG emissions</p>	<p>Program to catalyze capital flow to EE and RE projects in 12 priority DMCs with the aim of meeting ADB's \$1 billion clean energy investment target from 2008 – 2010</p>	<p>Program to provide access to safe, clean, affordable, modern energy to an additional 100 million people in Asia and the Pacific by 2015</p>	<p>Energy for All</p>
ACHIEVEMENTS	<p>Assisted ALGAS-11 prepare inventories of GHG sources and sinks in accordance with IPCC guidelines, developed national portfolios of TA and investment projects on GHG abatement options</p>	<p>Identified project opportunities, increased understanding of country-specific barriers to, and facilitated building of national capacities on PREGA technologies and financing modalities such as CDM in participating DMCs</p>	<p>ADB's total investments in clean energy amounted to around \$1.6 billion in 2008, surpassing the \$1 billion target by almost 70%</p>	<p>Leveraged more than \$122 million in access to energy investment</p>	<p>CEFPF and CCF</p>
FINANCING FACILITIES	<p><b>Renewable Energy, Energy Efficiency, and Climate Change Program (REACH)</b> brought together four bilateral trust funds that supported activities to overcome barriers to the widespread application of RE and EE to address climate change and poverty in Asia and the Pacific.</p> <p><b>Clean Energy Financing Partnership Facility (CEFPF)</b> promotes energy security and transition to low-carbon economies through technology investments in GHG mitigation; <b>Target: \$250 million</b></p> <p><b>Climate Change Fund (CCF)</b> mitigation component invests in projects that lead to GHG emission reductions and carbon sequestration</p>				

The Energy Efficiency Initiative was created not only to support clean energy projects, but mainstream the concepts of energy efficiency and renewable power into ADB's regular operations. The high level of interest expressed by DMCs as evidenced by the investment target being surpassed show that EEI was successful. The inclusion of clean energy in the new Energy Policy has led to EEI being folded into ADB's overall Clean Energy Program.

# The Evolution of ADB's Clean Energy Program

The energy sector has always been a priority for the Asian Development Bank's lending programs. Rapid development of the nations of Asia and the Pacific region has led to high demand for energy to power industries and homes. Racked against this demand is the need for Asia to develop in a sustainable manner, even as the sector is dominated by fossil fuels. And there is a pressing need to intervene on behalf of the millions of poor, who, in the midst of a booming region, still lack access to modern energy.

## ALGAS

ADB's early forays into clean energy stemmed from concerns on the region's response to greenhouse gas emissions and climate change. Starting in the mid 1990s, the [Asia Least-cost Greenhouse Gas Abatement Strategy](#) (ALGAS) program helped 11 DMCs (ALGAS-11) to meet their commitments under the UN Framework Convention on Climate Change (UNFCCC), to raise awareness, and to build their capacity to benefit from the Clean Development Mechanism (CDM).

## PREGA and REACH

At the turn of the new century, ADB's Energy Policy 2000 laid down the operational priorities of addressing global environmental impacts, by supporting the use of clean energy in the form of renewable energy, demand side management and energy efficiency and laid the groundwork for reorienting the energy sector to better deal with environmental impacts. ADB then established the [Promotion of Renewable Energy, Energy Efficiency, and GHG Abatement Projects](#) (PREGA) to promote investments in clean energy technologies that will increase access to energy services by the poor, realize other strategic development objectives and help reduce GHG emission. To support this, ADB brought together several trust fund initiatives provided by the government of Canada, Denmark, Finland, and the Netherlands to launch its [Renewable Energy, Energy Efficiency, and Climate Change](#) (REACH) program.

## EEl and CEFPP

This was followed by the Energy Efficiency Initiative (EEI) in 2005, a program that aimed to increase ADB's investments in clean energy programs to catalyze capital flow to energy efficiency and renewable energy projects. EEI set a goal of increasing lending to \$1 billion a year from 2008 to 2010, and went over that goal in 2008. To help finance EEI, the [Clean Energy Financing Partnership Facility](#) (CEFPP) was established in April 2007. EEI designed CEFPP to fund small energy efficiency investments that require quick transactions, finance some technology transfer costs of clean technologies, and provide grant assistance for activities such as developing the knowledge base on clean energy technologies.

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## Strategy 2020 and Energy Policy 2009

ADB's [Strategy 2020](#) has emphasized clean energy's importance in the sustainable development of Asia and the Pacific, and prompted the development of a multi-pronged Clean Energy Program. It seeks to increase regional energy efficiency in energy, transport and urban sectors; to adopt renewable energy sources; and to improve access to energy for the poor and remote regions - avoiding the use of traditional biomass. These goals are clearly reflected in ADB's [Energy Policy 2009](#), which opens with the principle of that "support for energy efficiency improvements and renewable energy projects will be prioritized and broadened to reach as many sectors in as many ways as possible."

With high levels of confidence for clean energy investments, ADB's newly approved 2009 Energy Policy targets the annual lending for related programs to \$2 billion by 2013.