



# Asian Development Bank **PRIVATE SECTOR OPERATIONS**

## **FINANCING THE PRIVATE SECTOR FOR DEVELOPMENT IMPACT**

The Private Sector Operations Department (PSOD) of the Asian Development Bank (ADB) facilitates financing to private and state-owned companies across diverse industries in developing Asia and the Pacific that promote sustainable and inclusive economic growth.

## Our Goal

Our goal is to catalyze private investments in the region for development impact, inclusive and sustainable growth, and climate solutions that create jobs and promote low-carbon growth in Asia and the Pacific.



## What We Do

We empower businesses, unlock investments, advance key development priorities in the region, and support commercially viable private sector deals that focus on environmental, social, and governance (ESG) standards and contribute to the achievement of the Sustainable Development Goals. We:



Finance private sector companies, banks, and projects in infrastructure, financial services, clean energy, agribusiness, and other core sectors via debt and equity investments.



Mobilize third-party capital via syndication, credit enhancement products, and donor funds.



Invest in private equity and other structured funds. Manage capital from dedicated funds to leverage and complement ADB's financing to kickstart and accelerate green growth, helping to propel the transition to sustainable and decarbonized future and increasing access to finance for infrastructure projects in the region.



Provide trade and supply chain finance through loans and guarantees, along with special initiatives, to make global trade and supply chains green, resilient, inclusive, transparent, and socially responsible.



Actively manage our portfolio to ensure strong financial performance, high development impact, and strong compliance with ESG safeguards.

# Our Focus Areas



**Agribusiness.** Supporting agricultural productivity, inclusive business, value chain integration, and inclusiveness. We also focus on local value addition and export, food quality, food safety, adequate nutrition, climate resilience, and environmental sustainability.



**Business Development.** Exploring, identifying, and designing new financing products for ADB's long-term project portfolio with focus on the upstream work of creating bankable projects across sectors and countries.



**Energy.** Delivering green, sustainable, resilient, and inclusive energy infrastructure and improving access to energy for all.



**Environmental Infrastructure.** Supporting advanced technologies, delivery models, and greater private sector participation in the environmental infrastructure sector through increased financing and mobilization to private sector clients, regional provision of environmental infrastructure and services, privatization of state-owned enterprises, and public-private partnerships.



**Finance.** Expanding access to finance, particularly among lower income groups (microfinance and housing finance) and micro, small, and medium-sized enterprises, and focusing on infrastructure development and climate change finance.



**Health and Education.** Improving access to affordable and quality services, employability, and job creation, along with exploring the commercial viability of private service delivery models in developing areas such as elder care and public-private partnerships.



**Multisector.** Supporting backward and forward integration aimed at increasing exports, generating employment, enhancing gender inclusion, and promoting green technology.



**Information and Communication Technology.** Supporting the expansion and upgrade of network infrastructure, providing affordable and sustainable services, and eliminating urban-rural and gender gaps. We also focus on scaling up e-services along with applications and local content, and promoting job creation while building skills and enhancing competitiveness.



**Trade.** Facilitating trade by filling market gaps and mitigating associated risks.



**Transport.** Building transport infrastructure and services that contribute to low-carbon, safe, accessible, and affordable transport systems.



**Water and Urban Development.** Leveraging technology and digital solutions to improve access to water and sanitation services for poor people, women, and vulnerable groups.



## Our Value Addition



Fifty years of strong partnerships with market players, financial and research institutions, and civil society.



Credibility with host governments, private investors, and project developers based on ADB's AAA rating, prudent underwriting, and proven safeguard policies.



Extensive experience in mitigating risks through rigorous credit analysis and targeted risk reduction and management, and offering attractive risk-adjusted returns.



Multifaceted approach to service delivery, including finance, intellectual capital, and other proprietary resources.



Highly qualified team of banking and industry specialists drawn from the private sector.



Worldwide organizational presence in 31 regional, subregional, and country offices for close and sustained client engagement.



Direct involvement in country strategy planning, project administration, and risk management.



# What We Offer



**Debt Financing.** Hard currency loans both senior and subordinated, mezzanine financing, and local currency loans in selected markets on a case-by-case basis.



**Equity Investment.** Equity investment in enterprises and private equity funds.



**Guarantees.** Guarantees to eligible projects, enabling financing partners to transfer certain risks to ADB, that are beyond their capacity to manage, such as political and credit risks.



**Loan Syndications.** Securing of debt financing from other parties to facilitate investment and capital flows into developing member countries.



**Blended Finance.** Combinations of small amounts of concessional capital from dedicated funds under ADB's management with ADB's own ordinary capital resources to de-risk private sector projects in the emerging economies of Asia and the Pacific.



**Technical Assistance.** Collaborative support for project development, project implementation, institutional capacity building, economic stability, and inclusive growth.

# Our Programs and Initiatives



**Trade and Supply Chain Finance Program.** Facilitates trade to foster economic growth and development through a combination of transactions, capacity building, and knowledge initiatives.



**Microfinance Program.** Addresses a market gap by sharing risks to promote local currency lending to microfinance institutions and encouraging private sector participation.



**ADB Ventures.** Invests in new market leaders by providing seed and early-stage capital to startups with climate and development impact solutions in emerging markets in Asia and the Pacific.



**Women's Finance Exchange.** Promotes women's financial inclusion and entrepreneurship by supporting financial institutions with gender-responsive and sustainable finance and innovative solutions.

## MORE ABOUT:

### The Private Sector Operations Report on Development Effectiveness



### Private Sector Financing



### Guarantees and Syndications Unit



### Trade and Supply Chain Finance Program



### Microfinance Program



### ADB Ventures



### Women's Finance Exchange



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## About the Asian Development Bank

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

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