A VULNERABLE REGION
Over the last decade, Southeast Asia’s economy has grown at an unprecedented rate. This has accelerated pollution, depletion of natural resources, and climate change disruptions on one of the world’s longest regional coastlines. The region requires urgent technical, financial, and institutional solutions to these challenges; and following the additional impact of COVID-19 on regional economies and individual livelihoods, sustainable finance and a climate resilient recovery are imperative.

BRIDGING THE GAP
From 2016 to 2030, Southeast Asia needs an estimated $210 billion annually for investments in climate resilient infrastructure. Public finance alone cannot meet this need, and half of the $210 billion must be found elsewhere. Private, institutional, and commercial financing sources and innovative finance mechanisms are critical to help the region meet its Paris Agreement commitments and the Sustainable Development Goals (SDGs).

MISSION
In 2018, the Asian Development Bank (ADB) established the Southeast Asia Green Finance Hub (previously the Innovation Hub) to provide innovative finance solutions to better leverage each $1 of sovereign finance to attract $5-$6 of green and sustainable capital into projects, by inculcating an innovation focus within ADB’s Southeast Asia operations. Addressing the needs of ADB’s developing member countries—especially for green finance and private investments—the Green Finance Hub identifies potential ADB projects and proposes original financing solutions.

KEY ACTIVITY PILLARS

TEAM
Core team of in-house experts provides innovative finance structures to develop sustainable infrastructure projects across Southeast Asia

GLOBAL PARTNERSHIPS
Foster synergies and collaboration with development partners

KNOWLEDGE AND CAPACITY
Promote thought leadership and capacity-building initiatives on green and innovative finance

ACGF
Accelerate green infrastructure in ASEAN through a regional green fund

CONCEPTS AND PROJECT DEVELOPMENT
Develop innovative finance ideas and concepts for ADB pipelines
**ACHIEVEMENTS 2018–2022**

- **ACGF launched**
  - 2019

- **$1.9 billion**
  - in cofinancing commitments

- **6 green, social, and sustainability bonds issued**

- **40 events, workshops, and trainings**

- **39 enhanced infrastructure concepts**

- **39 knowledge products**

- **2020**
  - First sovereign sustainability bond in Southeast Asia raised more than $1 billion for post-COVID-19 recovery in Thailand

- **2021**
  - First Green Recovery program in Southeast Asia launched with $300 million Green Climate Fund (GCF) financing

---

**ASEAN Catalytic Green Finance Facility**

In 2019, under the ASEAN Infrastructure Fund (AIF) and supported by all ASEAN member states as well as global partners, the Green Finance Hub team developed and launched Asia’s first regional green catalytic fund, the ASEAN Catalytic Green Finance Facility (ACGF). The ACGF provides ASEAN members with access to over $2 billion in loans, plus technical assistance, to help draw private investments into green infrastructure projects.

**Blue SEA Finance Hub**

In support of ADB’s Action Plan for Healthy Oceans and Sustainable Blue Economies, and in line with ADB’s Oceans Financing Initiative, the Blue SEA Finance Hub was established in November 2021 as an interdepartmental initiative between ADB’s Climate Change and Sustainable Development Department, the ACGF, and the Indonesia Resident Mission.

**Project Spotlight: SDG Indonesia One Green Finance Facility**

In 2022, ADB approved $150 million as a sovereign loan to Indonesia for the SDG Indonesia One Green Finance Facility (SIO-GFF) to be implemented by the country’s PT Sarana Multi Infrastruktur. As the first green recovery fund in Asia, SIO-GFF will support Indonesia’s commitments to both climate change (at least 70% of the funds) and the Sustainable Development Goals (SDGs) (up to 30% of the funds). With a catalytic financial mechanism, the facility has the potential to leverage up to 8 times the $150 million funds.

---

**Cofinancing Partners**

- AFD
- cdp
- EDCF
- European Investment Bank
- GCF
- KfW
- UKaid

**Knowledge and Project Development Partners**

- Climate Bonds
- EAKPF
- EDB
- GGGI
- OECD
- SDIP
- UNDP
Major Milestones (2018–2023)

2018

NOVEMBER

Creation of Green Window (including ACGF) approved by ASEAN Infrastructure Fund Board

2019

NOVEMBER

ASEAN Workshop On Innovative Financing Approaches for Sustainable Infrastructure held in Bangkok

FEBRUARY

The ACGF launched Cambodia: National Solar Park Project achieves lowest tariff in ASEAN Infrastructure Center of Excellence

First ADB–OECD High Level Roundtable on Green Finance in ASEAN held in Paris

APRIL–MAY

The ACGF launched

JANUARY

Flagship report *Financing the Ocean Back to Health in Southeast Asia: An Approach Paper for Mainstreaming Blue Finance* launched

FEBRUARY

SDG Indonesia One Green Finance Facility approved by ADB

MARCH

ACGF Green Recovery Program for $300 million approved by GCF Board

NOVEMBER–DECEMBER

Green Bond Training implemented with Climate Bonds Initiative

ASEAN Green Recovery Platform with cofinancing partners Cassa Depositi e Prestiti (Italy); EU, Foreign, Commonwealth & Development Office (UK); and GCF announced at COP26

Blue SEA Finance Hub launched

2020

JUNE

ACGF & Inclusive Finance Facility (ACGF-eligible) project

*Indonesia: Sustainable and Inclusive Energy Program* approved for pipeline

SEPTEMBER–OCTOBER

Cambodia: National Solar Park Project achieves lowest tariff in ASEAN Infrastructure Center of Excellence

First ADB–OECD High Level Roundtable on Green Finance in ASEAN held in Paris

NOVEMBER

Approval of €50 million in concessional finance for ACGF by EU Asia Investment Facility

2021

MARCH

ACGF Green Recovery Program for $300 million approved by GCF Board

NOVEMBER–DECEMBER

Three ACGF-eligible projects in the AIF pipeline approved by the ADB Board: *Indonesia: Sustainable and Inclusive Energy Program; Cambodia: Sustainable Coastal and Marine Fisheries Project; and Cambodia: Energy Transition Sector Development Program*

2022

MARCH

The ACGF co-organizes the first in-person Southeast Asia Development Symposium (SEADS)

FEBRUARY

ASEAN Workshop On Innovative Financing Approaches for Sustainable Infrastructure held in Bangkok

2023

JUNE

The ACGF approved as permanent facility by AIF Board

DECEMBER

Two ACGF Regular & Concessional projects approved for ADB pipeline: *Philippines: Davao Public Transport Modernization Project and Cambodia: Energy Efficiency Sector Development Project*

JULY

Flagship report *Accelerating Sustainable Development after COVID-19: The Role of SDG Bonds* launched

SEPTEMBER

Flagship report *Financing the Ocean Back to Health in Southeast Asia: An Approach Paper for Mainstreaming Blue Finance* launched

DECEMBER

Three ACGF-eligible projects in the AIF pipeline approved by the ADB Board: *Indonesia: Sustainable and Inclusive Energy Program; Cambodia: Sustainable Coastal and Marine Fisheries Project; and Cambodia: Energy Transition Sector Development Program*

JANUARY

First two Innovative Finance Clinics for project origination held for agricultural value chain financing and electric vehicle fleet

JULY & SEPTEMBER

Flagship report *Financing the Ocean Back to Health in Southeast Asia: An Approach Paper for Mainstreaming Blue Finance* launched

2024

JUNE

The ACGF co-organizes the second Southeast Asia Development Symposium (SEADS)

DECEMBER

Three ACGF-eligible projects in the AIF pipeline approved by the ADB Board: *Indonesia: Sustainable and Inclusive Energy Program; Cambodia: Sustainable Coastal and Marine Fisheries Project; and Cambodia: Energy Transition Sector Development Program*
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.

In this material, “$” refers to United States dollars and “€” to euros. Contents of this publication are the sole responsibility of ADB and do not necessarily reflect the views of ADB’s partners.

Creative Commons Attribution 3.0 IGO license (CC BY 3.0 IGO) © 2023 ADB. The CC license does not apply to non-ADB copyright materials in this publication.

https://www.adb.org/terms-use#openaccess
Publication Stock No. ARM230224-2
http://www.adb.org/publications/corrigenda
pubsmarketing@adb.org

KNOWLEDGE PRODUCTS

ASEAN Catalytic Green Finance Facility 2022: Building Southeast Asia’s Green Project Pipelines
Presenting the progress, milestones, and major developments of the ASEAN Catalytic Green Finance Facility (ACGF) throughout the year of 2022.

Green Infrastructure Investment Opportunities: Thailand 2021 Report
Exploring green bonds and other finance instruments for climate resilient infrastructure and investment opportunities that can support Thailand achieving a low carbon economy.

Green Finance Strategies for Post-COVID-19 Economic Recovery in Southeast Asia: Greening Recoveries for Planet and People
Examining innovative finance mechanisms for government recovery strategies that can incentivize green infrastructure investment in developing Asia and support the fight against the COVID-19 pandemic.

Catalyzing Climate Finance: Lessons Learned from the Shandong Green Development Fund
Examining the establishment of the Shandong Green Development Fund; its design, implementation, and impact. Can this be further developed and extended to other countries in Asia and Pacific?

Financing the Ocean Back to Health in Southeast Asia: Approaches for Mainstreaming Blue Finance
An overview of the “blue economy” emphasizing its significance for protecting the biodiversity of natural resources in Southeast Asia.

Accelerating Sustainable Development after COVID-19
Providing an overview of SDG bonds as a mechanism to help mobilize the huge amount of financing required to meet the SDGs in developing Asia. How can this new type of SDG bond contribute to accelerating sustainable development in the region?

ASEAN Catalytic Green Finance Facility: Investment Principles and Eligibility Criteria
Outlining the investment principles and eligibility criteria that will guide the selection of projects to be supported by the ASEAN Catalytic Green Finance Facility (ACGF).

The Potential for Foreign Investment in a Domestic Credit Rating Agency in Viet Nam
Evaluating the Viet Nam bond market from a global credit rating agency’s perspective. Is there potential for an international rating agency to enter to the Vietnamese market through a technical service agreement?

SCOTT ROBERTS
Head, Green Finance Hub
Southeast Asia Department
Asian Development Bank
sroberts@adb.org

For more knowledge products and information, visit
adb.org/acgf

CONTACT US

ACGF - ASEAN Catalytic Green Finance Facility

@ACGF_facility