

Sustainable Connectivity in Asia-Pacific: The Role of AIIB

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As of 30 August 2020 unless otherwise stated.



ABOUT AIIB

Asian Infrastructure Investment Bank

Who we are

Multilateral Development Bank founded to bring countries together to address Asia's daunting **infrastructure funding gap estimated at 26 trillion USD through 2030¹**.

Our mission

Financing Infrastructure for Tomorrow. By investing in sustainable infrastructure, AIIB unlocks new capital, new technologies and new ways in which to address climate change and to connect Asia, and the world.

Credit strength

Strong support from diversified global shareholder base. **USD100 billion capital stock** with 20% assigned to paid-in capital. Prudent risk management and financial policies. AAA/Aaa/AAA rating with stable outlook.

Its core values are:

Lean, with a small efficient management team and highly skilled staff.

Clean, an ethical organization with zero tolerance for corruption.

Green, an institution built on respect for the environment.

¹Source: "Meeting Asia's Infrastructure Needs", ADB 2017

OVERVIEW OF SHAREHOLDING STRUCTURE

103 approved members

“

The bank...will help to mobilize much needed additional resources from inside and outside Asia... and will complement the existing multilateral development banks.

Articles of Agreement

”

* Prospective founding member: These are prospective members who were original signatories to the Articles of Agreement in June 2015. Countries or territories who sought membership after that date are simply called prospective members. All prospective members have been approved by the Board of Governors but have not yet met the full requirements of membership.



Members Regional

Afghanistan	Israel	Russia
Australia	Jordan	Samoa
Azerbaijan	Kazakhstan	Saudi Arabia
Bahrain	Korea	Singapore
Bangladesh	Kyrgyz Republic	Sri Lanka
Brunei Darussalam	Lao PDR	Tajikistan
Cambodia	Malaysia	Thailand
China	Maldives	Timor-Leste
Cook Islands	Mongolia	Turkey
Cyprus	Myanmar	UAE
Fiji	Nepal	Uzbekistan
Georgia	New Zealand	Vanuatu
Hong Kong, China	Oman	Vietnam
India	Pakistan	
Indonesia	Philippines	
Iran	Qatar	

Prospective Regional

Armenia
Kuwait*
Lebanon
Papua New Guinea
Tonga

Members Non-Regional

Austria	Guinea	Sudan
Algeria	Hungary	Sweden
Belarus	Iceland	Switzerland
Belgium	Ireland	Uruguay
Benin	Italy	United Kingdom
Canada	Luxembourg	
Côte d'Ivoire	Madagascar	
Denmark	Malta	
Ecuador	Netherlands	
Egypt	Norway	
Ethiopia	Poland	
Finland	Portugal	
France	Romania	
Germany	Rwanda	
Ghana	Serbia	
Greece	Spain	

Prospective Non-Regional

Argentina	Togo
Bolivia	Tunisia
Brazil*	Venezuela
Chile	
Croatia	
Djibouti	
Kenya	
Liberia	
Libya	
Morocco	
Peru	
Senegal	
South Africa*	

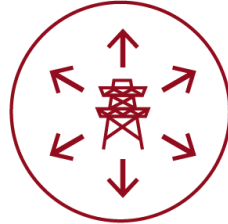
AIIB's Thematic Priorities

A firm commitment to sustainability in all dimensions – economic, financial, social & environmental



Green Infrastructure

Promoting green infrastructure and supporting members to meet their local and national environmental and development goals, especially their commitments under the Paris Agreement and the United Nations' Sustainable Development Goals.



Connectivity and Regional Cooperation

Facilitating better transport, digital, energy and water connectivity within Asia and between Asia and the rest of the world. It will also support projects that facilitate trade, cross-border investment, tourism, financial and digital integration across Asian economies and beyond.



Technology-enabled Infrastructure

Based on the enhanced recognition of the important role technology plays, AIIB will support projects where the application of technology delivers better value, quality, productivity, efficiency, resilience, sustainability, inclusion, transparency and better governance along the project cycle.



Private Capital Mobilization

To support projects that directly or indirectly mobilize private financing into sectors within AIIB's mandate. Includes developing infrastructure as an asset class in Asia.

Investing in the Infrastructure for Tomorrow

AIIB's Vision is a prosperous Asia based on sustainable economic development and regional cooperation

Cross-Border Connectivity

25-30% of actual financing
approvals by 2030

Climate Financing

50% of actual financing
approval by 2025

Private Sector Projects

50% of actual financing
approval by 2030



KEY ENERGY CHALLENGES – ASIA TODAY & FUTURE

2018:

- Approximately 86% of primary energy demand derives from fossil fuels
- About 260 million people are without access to electricity
- Almost 1.7 billion people without access to clean cooking facilities
- Contributes to almost 48% of global energy related emissions

Future:

- Developing countries in Asia to account for two-thirds of global energy growth by 2040
- Electrification rate expected to reach 99% by 2030 in developing Asia but rural areas remain a challenge
- About 50% of world population (4.7 billion people) will be living in the region by 2040
- Energy investment needs amount to an estimated US\$41 trillion by 2040
- Electricity demand to almost double by 2040 (17.8 TWh) with cumulative investments needs of US\$9.8 trillion by 2040

Source: International Energy Agency, World Energy Outlook, 2019

AIIB ENERGY STRATEGY

The framework, principles, and operational modalities that guide AIIB's energy sector engagement

Support member countries to:

- develop and improve their energy infrastructure,
- increase energy access,
- transition to low carbon energy mix and
- help meet their international commitments

Recognizes the energy challenges of the region and builds on the principles of the:

- Sustainable Energy for All
- 2030 Agenda for Sustainable Development
- Paris Agreement

AIIB's Guiding Principles

1. Promote Energy Access and Security.
2. Realize Energy Efficiency Potential.
3. Reduce the Carbon Intensity of Energy Supply.
4. Manage Local and Regional Pollution.
5. Catalyze Private Capital.
6. Promote Regional Cooperation and Connectivity.

AIIB'S ENERGY ACHIEVEMENTS

1 September 2020

- Average of about 1 GW per year of renewable energy capacity financed
- 90% of installed power capacity financed by AIIB is renewable energy
- About 10,953 km of T&D lines/pipelines financed equivalent to about 1/2 of the length of the Great Wall of China
- 14% of total approved loan amount for energy projects is for energy efficiency (excluding on-lending)
- At least 520 million USD investment in low carbon energy through financial intermediaries



APPROVED ENERGY PROJECTS

1 September 2020

● Gas Transmission & Distribution

- Azerbaijan** Trans Anatolian Natural Gas Pipeline Project
- Bangladesh** Natural Gas Infrastructure & Efficiency Improvement Project
- China** Beijing Air Quality Improvement & Coal Replacement Project
- China** BTH Low Carbon Energy Transition and Air Quality Improvement Project
- Turkey** Tuz Golu Gas Storage Expansion Project

● Renewable Energy

- Egypt** Round II Solar PV Feed-in Tariffs Program
- India** Rajasthan 250 MW Solar Project – Hero Future Energies
- Kazakhstan** Zhanatas 100 MW Wind Power Plant
- Maldives** Greater Malé Waste-to-Energy Project
- Oman** Ibri II 500 MW Solar PV Independent Power Plant Project
- Pakistan** Tarbela 5 Hydropower Extension Project
- Tajikistan** Nurek Hydropower Rehabilitation Project, Phase I
- Turkey** Efeler 97.6 MW Geothermal Power Plant Expansion Project
- Nepal** Upper Trishuli-1 Hydropower Project

● Electricity Transmission & Distribution

- Bangladesh** Distribution System Upgrade & Expansion Project
- Bangladesh** Power System Upgrade and Expansion Project
- Bangladesh** Dhaka and Western Zone Transmission Grid Expansion Project
- India** Andhra Pradesh 24x7 – Power For All
- India** Transmission System Strengthening Project
- Nepal** Power Distribution System Update and Expansion Project

● Gas Power Plants

- Bangladesh** Bhola IPP
- Myanmar** Myingyan Gas Power Plant Project

Trans Anatolian Natural Gas Pipeline (TANAP)

Client

Southern Gas Corridor Company

Project Objective

Construction and commissioning of 3,500 km of gas pipeline from Azerbaijan to Italy through Georgia, Turkey, Greece and Albania

Total Project Cost

8.6 billion USD (co-financed with World Bank, EBRD and EIB as well as BP, BOTAS and Commercial Banks)

AIIB Commitment

600 million USD (53% of total 3,500 km pipeline)

Project Link: <https://www.aiib.org/en/projects/details/2016/approved/Azerbaijan-Trans-Anatolian-Natural-Gas-Pipeline-Project.html>

THANK YOU.
LET'S CREATE TOMORROW.

