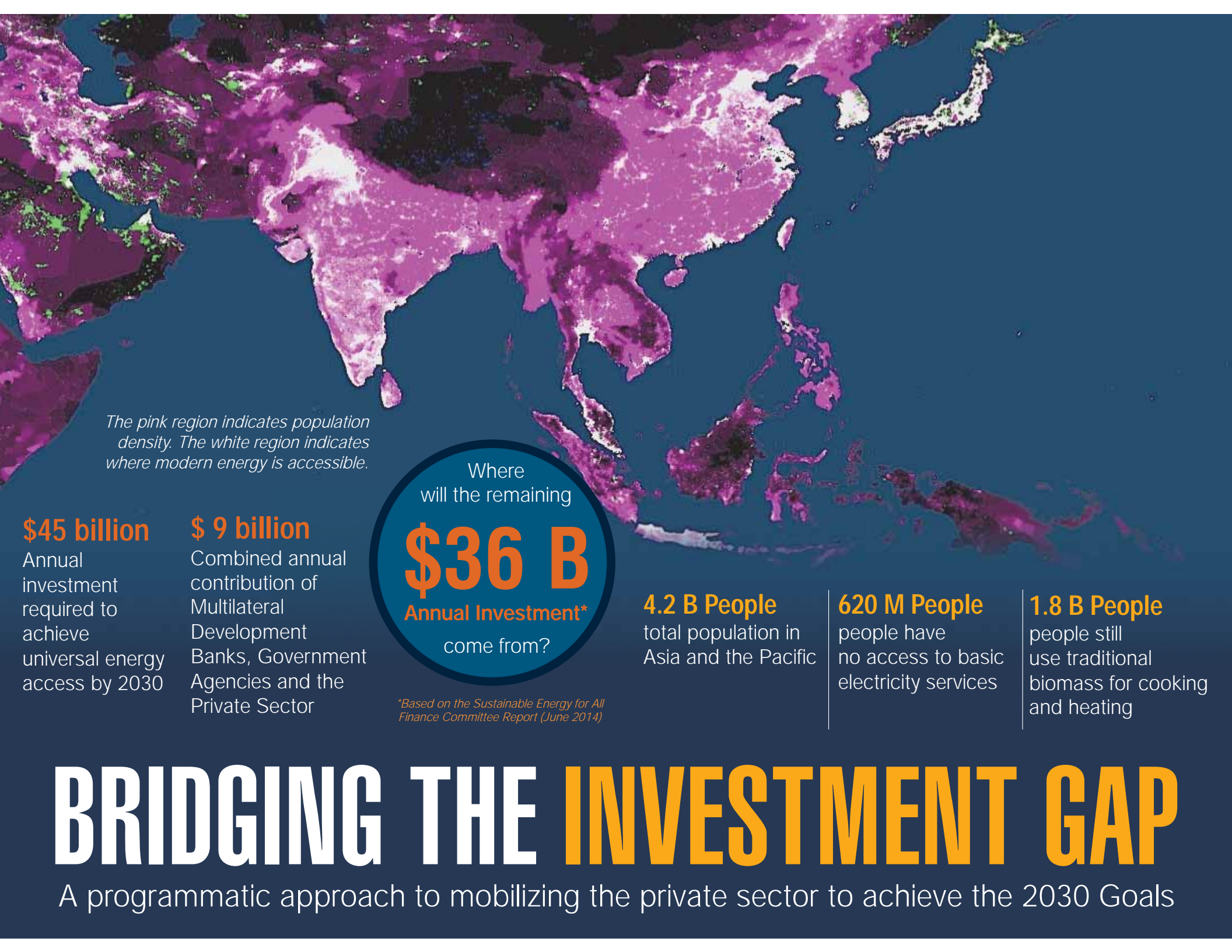


Jiwan Acharya – Senior Climate Change Specialist (Clean Energy)

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# BRIDGING THE **INVESTMENT GAP**

A programmatic approach to mobilizing the private sector to achieve the 2030 Goals



The pink region indicates population density. The white region indicates where modern energy is accessible.

**\$45 billion**

Annual investment required to achieve universal energy access by 2030

**\$ 9 billion**

Combined annual contribution of Multilateral Development Banks, Government Agencies and the Private Sector

Where will the remaining

**\$36 B**

Annual Investment\*

come from?

\*Based on the Sustainable Energy for All Finance Committee Report (June 2014)

**4.2 B People**

total population in Asia and the Pacific

**620 M People**

people have no access to basic electricity services

**1.8 B People**

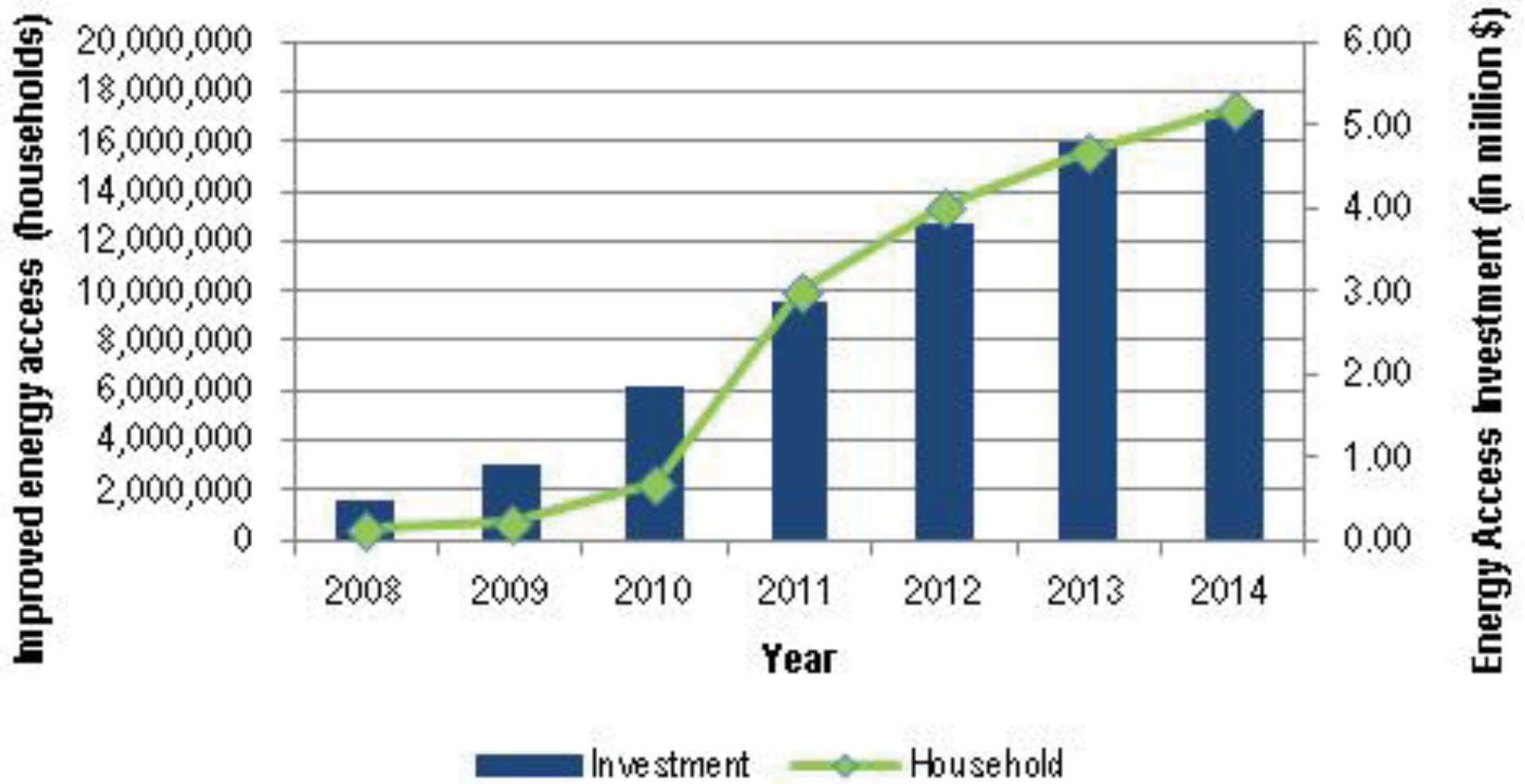
people still use traditional biomass for cooking and heating

# BRIDGING THE INVESTMENT GAP

A programmatic approach to mobilizing the private sector to achieve the 2030 Goals



# ADB Energy Access Investment | 2008 - 2014



**USD 5.2 billion**

Total ADB investment  
in energy access  
(2008-2014)

**86.4 million**

Household beneficiaries  
of ADB's energy access  
investments

# Funding Gap | Catalyzing the Private Sector

**IDEAL UNIVERSE**

# Funding Gap | Catalyzing the Private Sector

1

Capital Markets are one of the most abundant sources of capital for clean energy companies that have reached a sufficient size

*Capital Markets*

**IDEAL UNIVERSE**

# Funding Gap | Catalyzing the Private Sector

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Capital Markets are one of the most abundant sources of capital for clean energy companies that have reached a sufficient size

*Capital Markets*

**IDEAL UNIVERSE**

*Private Equity Funds  
Finance Institutions*

2

Private equity funds and finance institutions can capitalize the startup and expansion of clean energy companies

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*Capital Markets*

**IDEAL UNIVERSE**

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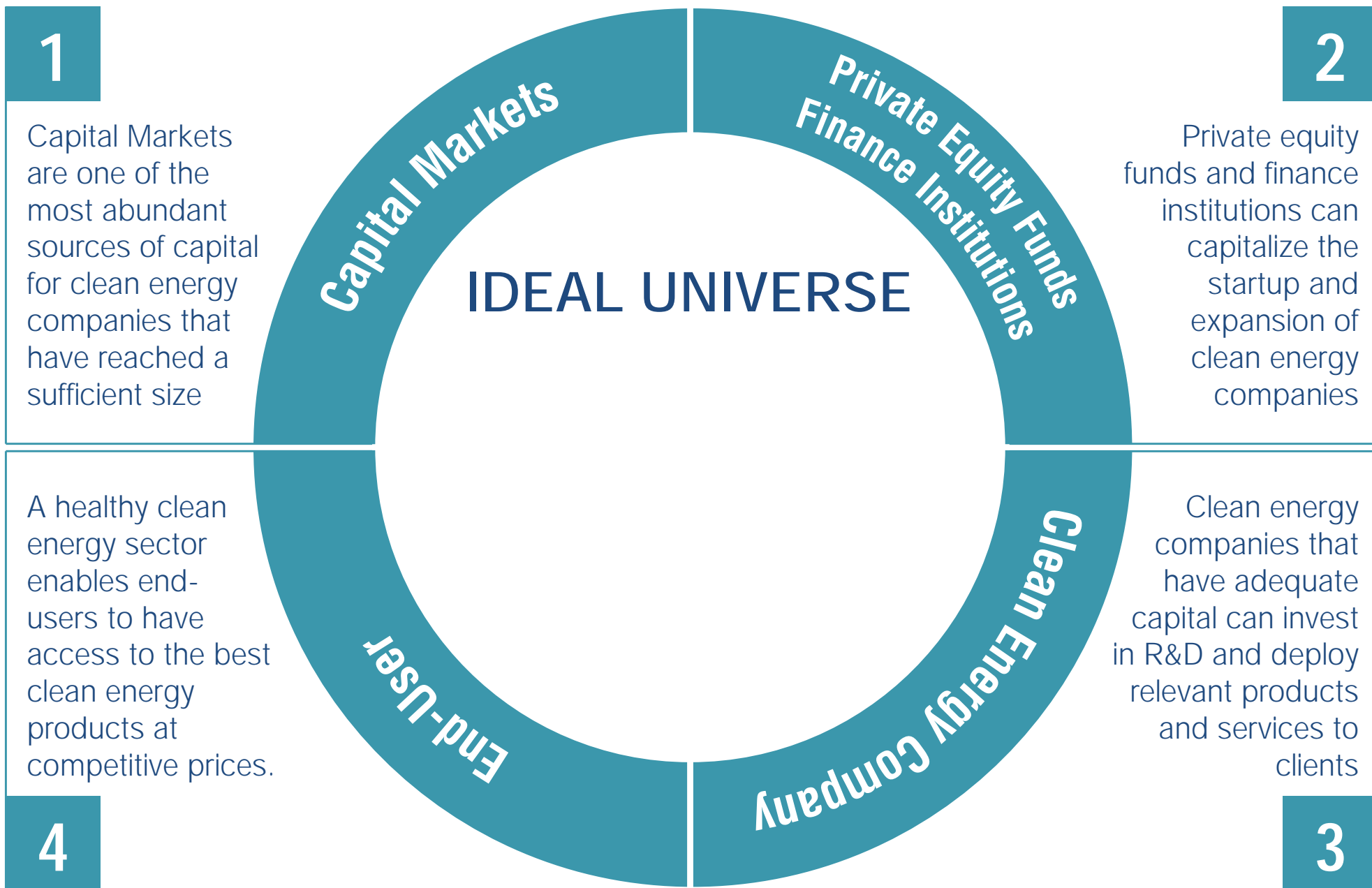
2

Private equity funds and finance institutions can capitalize the startup and expansion of clean energy companies

Clean energy companies that have adequate capital can invest in R&D and deploy relevant products and services to clients

3

# Funding Gap | Catalyzing the Private Sector





# Funding Gap | Catalyzing the Private Sector

1

Capital Markets are one of the most abundant sources of capital for clean energy companies that have reached a sufficient size

2

Private equity funds and finance institutions can capitalize the startup and expansion of clean energy companies

## IDEAL UNIVERSE

Mature capital markets

Mature commercial banks

Market transparency

Proportionate due diligence

A healthy clean energy sector enables end-users to have access to the best clean energy products at competitive prices.

Clean energy companies that have adequate capital can invest in R&D and deploy relevant products and services to clients

4

Capital Markets

Private Equity Funds  
Finance Institutions

End-User

Clean Energy Company

3

# Funding Gap | Catalyzing the Private Sector

**FRACTURED  
UNIVERSE**

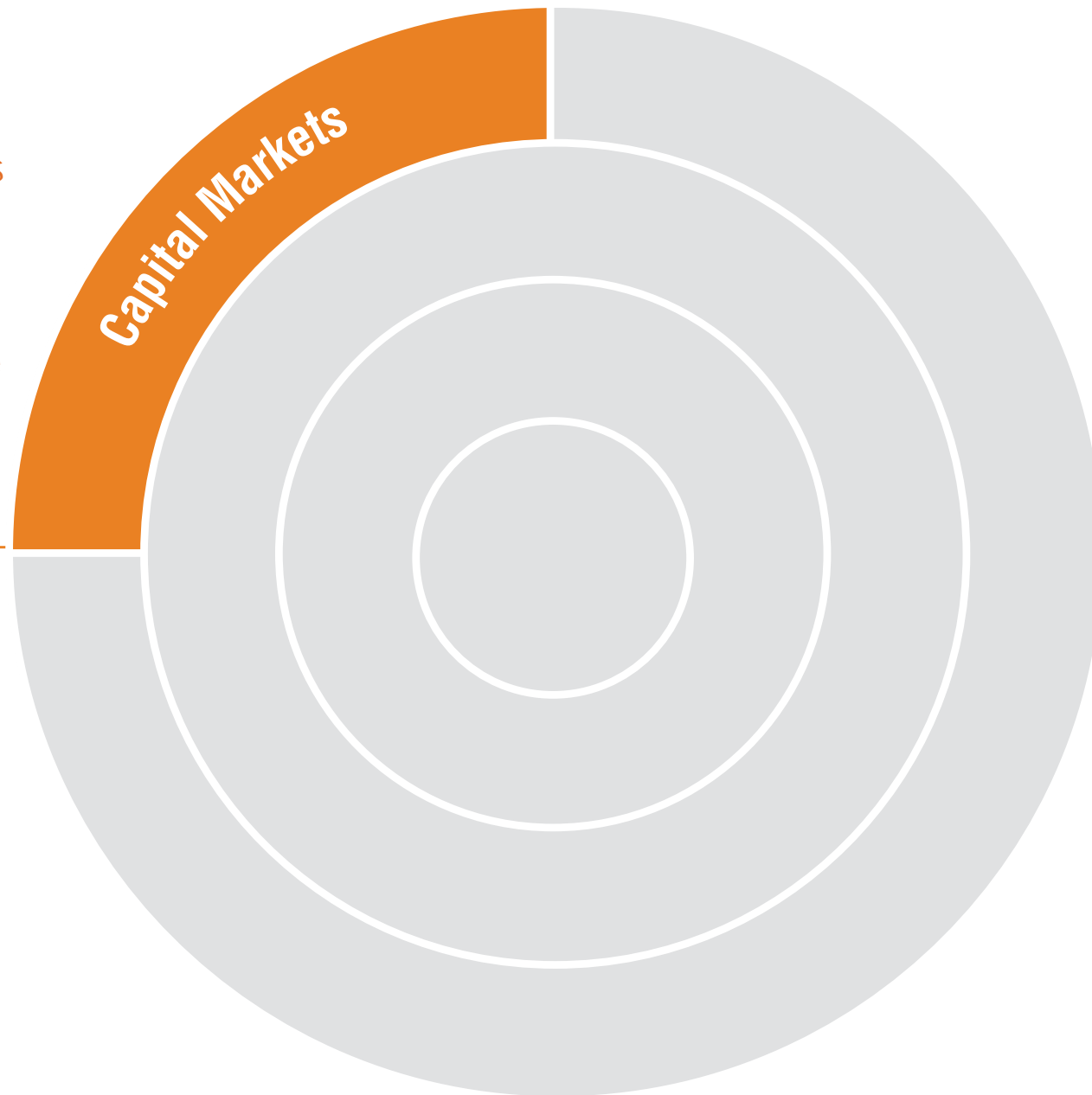
# Project Development Facility | Services



# Project Development Facility | Services

1

Capital Markets remain beyond the reach of clean energy companies due to strict regulation



# Project Development Facility | Services

1

Capital Markets remain beyond the reach of clean energy companies due to strict regulation

Capital Markets

2

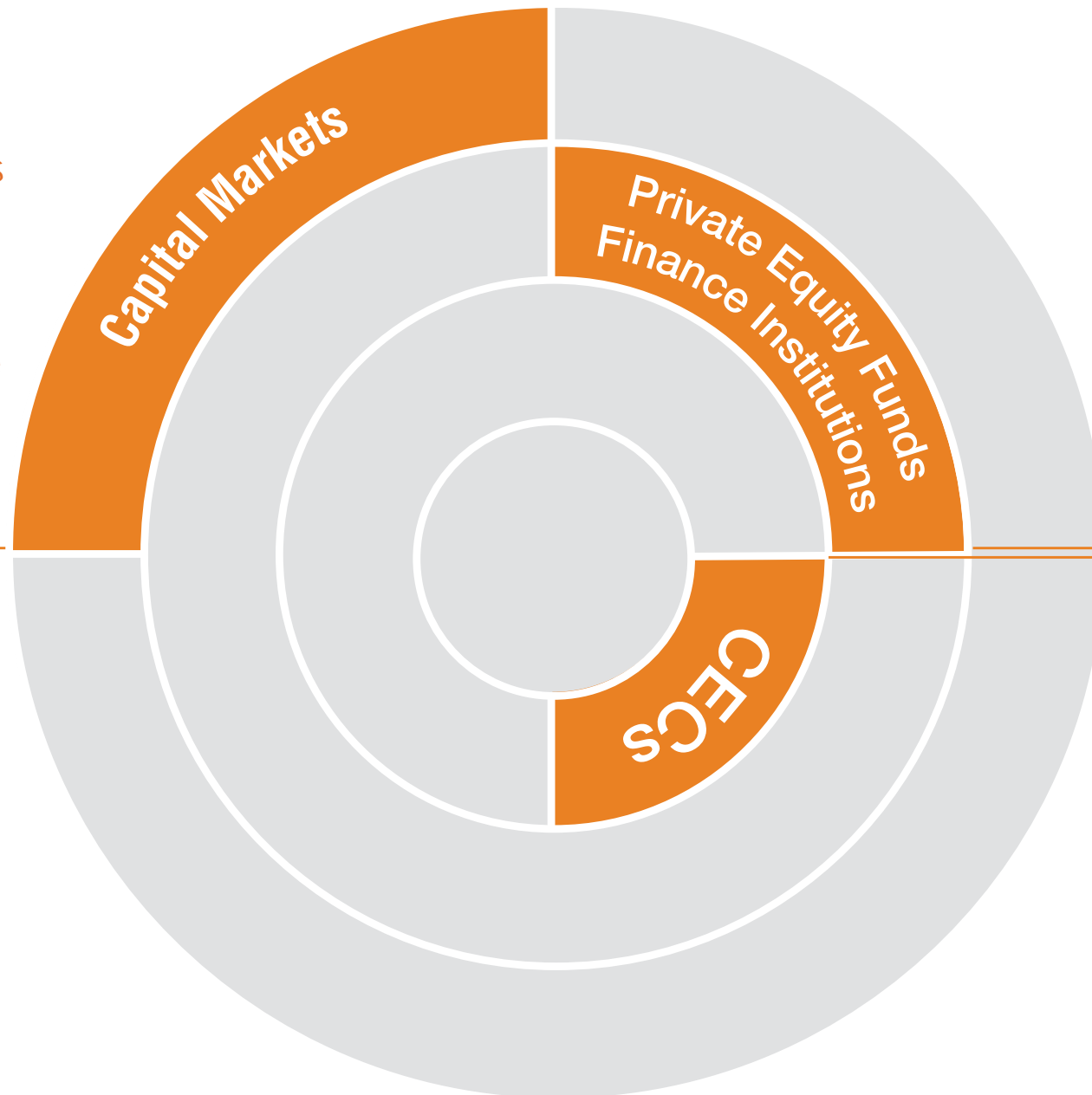
Private Equity Funds and Finance Institutions prioritize large ticket size and low-risk deals.

Private Equity Funds  
Finance Institutions

# Project Development Facility | Services

1

Capital Markets remain beyond the reach of clean energy companies due to strict regulation



2

Private Equity Funds and Finance Institutions prioritize large ticket size and low-risk deals.

Clean energy companies can't establish operations and expand their distribution due to lack of capital.

3



# Project Development Facility | Services

1

Capital Markets remain beyond the reach of clean energy companies due to strict regulation

2

Private Equity Funds and Finance Institutions prioritize large ticket size and low-risk deals.

E-U

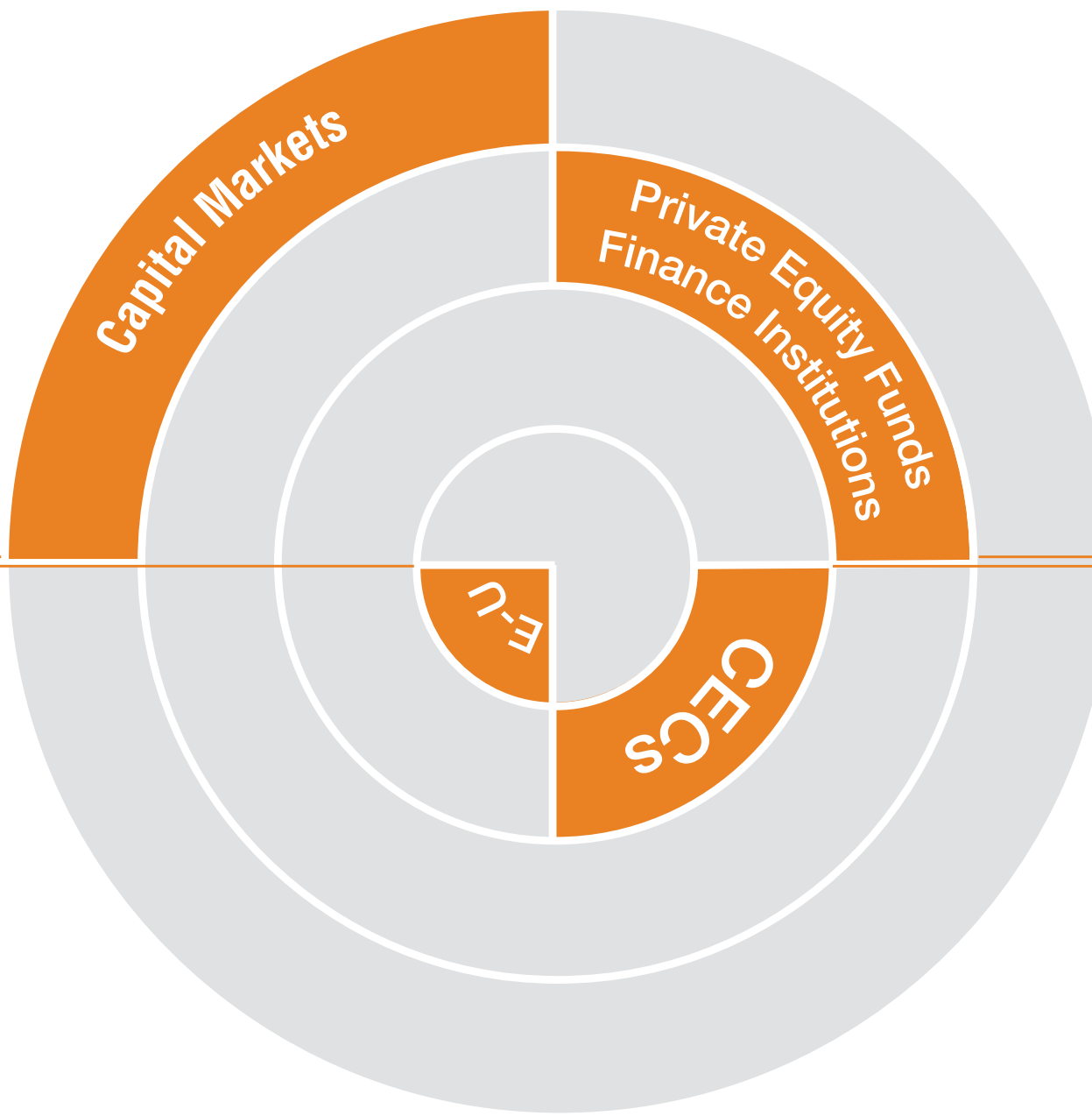
CECS

The end-user is locked in a cycle of energy poverty.

Clean energy companies can't establish operations and expand their distribution due to lack of capital.

4

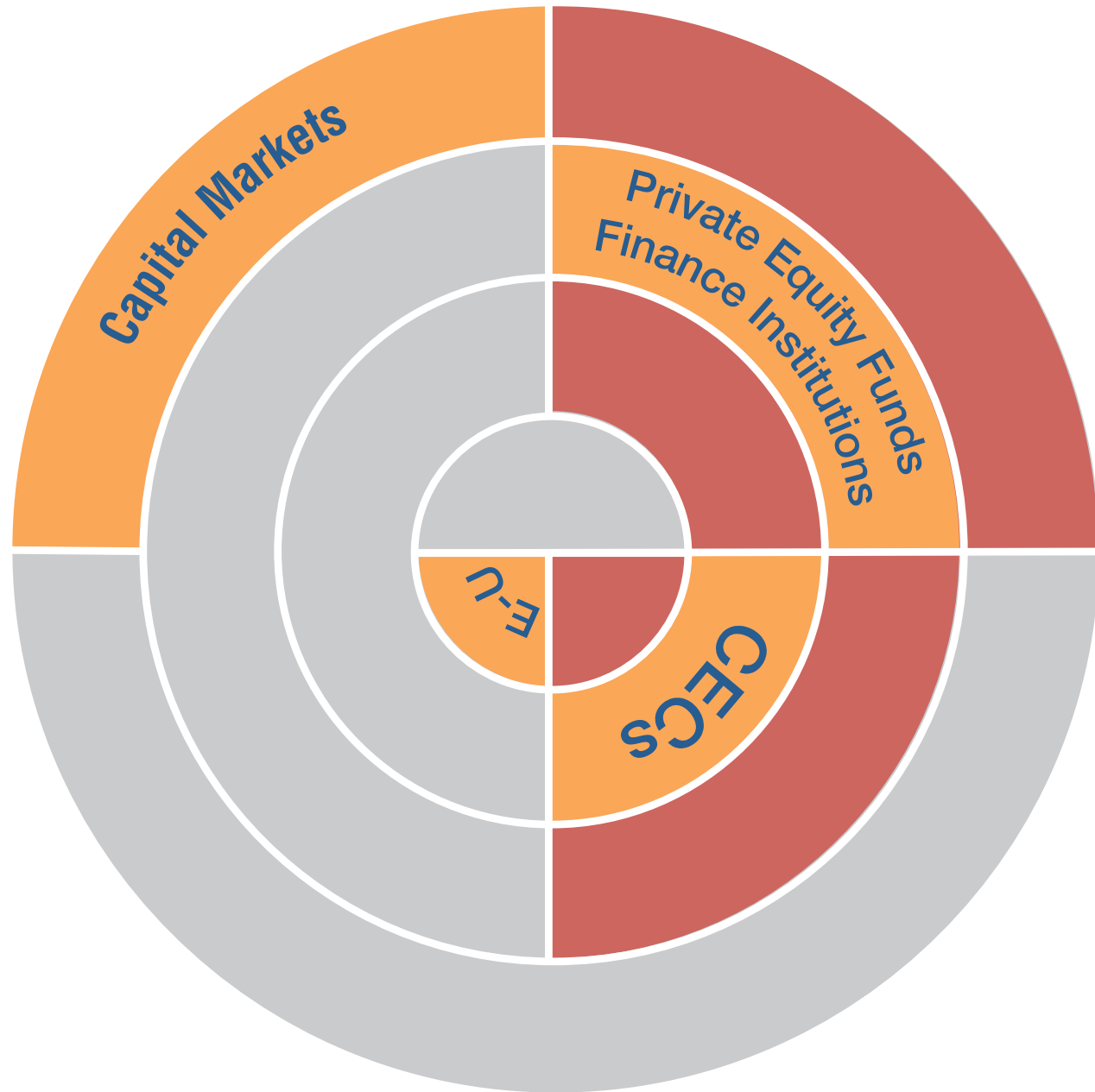
3



# Project Development Facility | Impact

## PDF Services Utilized

P2	Project Development	P3	Startup Operations	P4	Expansion & Replication
	Customized Mentoring				
	Blended Capital				
		Credit Enhancement			
		Investor Matching			
		Investment Referrals			
		Due Diligence Support			
		Risk Sharing Facility			
		Deal Aggregation			



# Project Development Facility | Results

**BUSINESS  
DEVELOPMENT**

**65**

**CUSTOMIZED  
MENTORING**

**05**

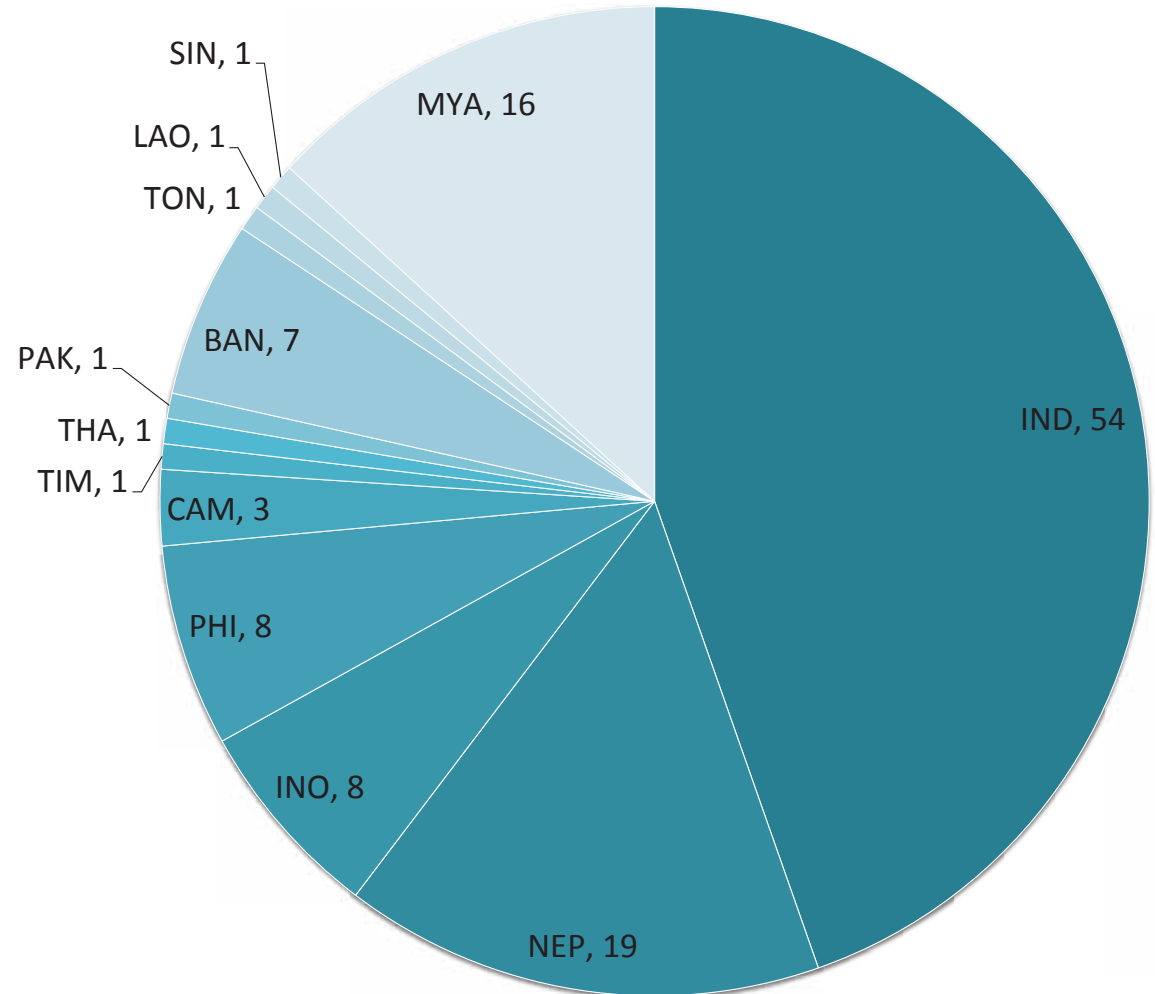
**INVESTMENT  
FACILITATION**

**32**

**DEALS  
CLOSED**

**10**

**Geographic Distribution of Projects**  
13 countries, 121 projects



# Project Development Facility | Donors



 Austrian  
Development Cooperation



Australian Government  
AusAID



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

**Swiss Agency for Development  
and Cooperation SDC**

MINISTRY OF FOREIGN AFFAIRS OF DENMARK  
**DANIDA** | INTERNATIONAL  
DEVELOPMENT COOPERATION



# Contact Information

## Be part of the PDF!

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