# ASIAN DEVELOPMENT BANK (ADB) AND ITS PRC OPERATIONS

**APRIL 2018** 

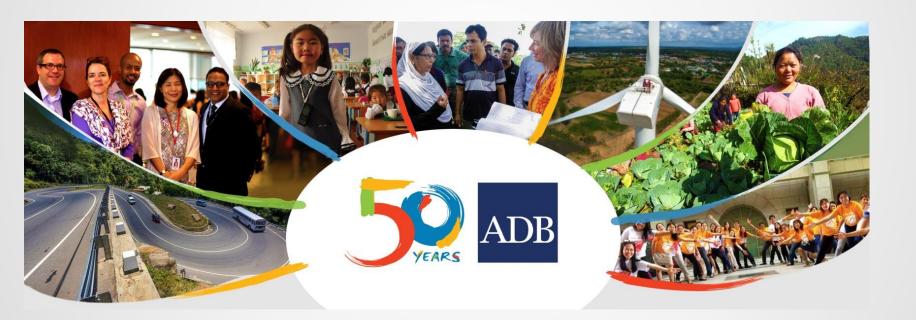
# JIA XINNIING DEPUTY COUNTRY DIRECTOR PRC RESIDENT MISSION

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## Join Us. Asian Development Bank

#### Welcome



**April 2018** 



#### **VISION AND STRATEGY**

#### Vision:

An Asia-Pacific region free of poverty

#### Mission:

 To help its developing member countries reduce poverty and improve living conditions and quality of life

#### **Three Strategic Agendas:**













# The Region's **Poverty Challenge**

Over half of the world's poor\* live in the region

451 million people live on less than \$1.90 a day

\* \$1.90 per day definition is based on 2011 Purchasing Power Parity (World Bank 2015).



## Join Us. Asian Development Bank

### How we help





#### INSTITUTION



- A multilateral development finance institution
- Established in 1966, headquartered in Manila with 31 field offices
- A partnership of 67 countries, of which 48 are from the Asia-Pacific region
- 3,127 employees, spanning 59 nationalities



#### **ADB OPERATIONS**

ADB supports developing member countries in Asia and the Pacific through:

#### Types of Assistance

- Loan
- Guarantee
- Equity Investment
- Grants
- Technical Assistance (TA)

#### **Funding Source**

- Ordinal Capital Resources (OCR)
- Asian Development Fund
- Special funds
- TA Funds and other trust funds



#### **ADB'S 2017 OPERATIONS**





\$20.30 billion from ADB and its special funds \$11.92 billion from cofinancing partners



#### **TOTAL ADB OPERATIONS 2017, BY SECTOR**

Sector	\$ billion
Agriculture, Natural Resources, and Rural Development	1.79
Education	1.20
Energy	10.89
Finance	7.09
Health	0.23
Industry and Trade	0.55
Public Sector Management	1.70
Transport	6.84
Water and Other Urban Infrastructure and Services	1.87
Multisector	0.01
Information and Communication Technology	0.05
TOTAL	32.22



#### ADB-PRC PARTNERSHIP







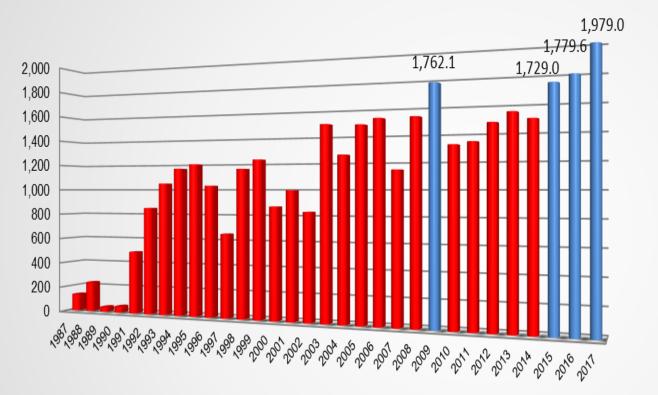




- 1986 PRC Became ADB Member
- 2000 Opening of PRC Resident Mission
- Cumulative public sector lending till end 2017 is \$34.84
   billion (2<sup>nd</sup> largest borrower)
- 2005 PRC Became ADF donor. Also established PRC
   Fund for Poverty Reduction and Regional Cooperation



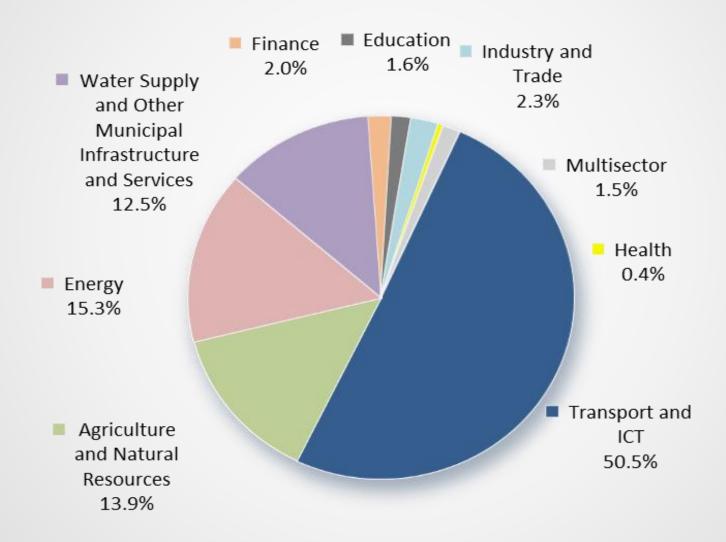
#### **ANNUAL LOANS APPROVED (1986-2017)**



Year	Nos.	Amount
1987	2	133.3
1988	4	236.4
1989	1	39.7
1990	1	50.0
1991	6	496.3
1992	8	853.0
1993	8	1,050.0
1994	8	1,167.0
1995	10	1,201.0
1996	11	1,032.0
1997	5	656.0
1998	7	1,162.0
1999	7	1,232.0
2000	6	872.3
2001	6	997.0
2002	6	833.5
2003	7	1,488.0
2004	7	1,259.9
2005	7	1,478.8
2006	10	1,522.0
2007	8	1,146.7
2008	13	1,526.0
2009	12	1,762.1
2010	11	1,320.9
2011	12	1,339.8
2012	11	1,470.0
2013	12	1,540.0
2014	11	1,490.0
2015	12	1,729.0
2016	12	1,779.6
2017	10	1,979.0
Total	251	34,843.3



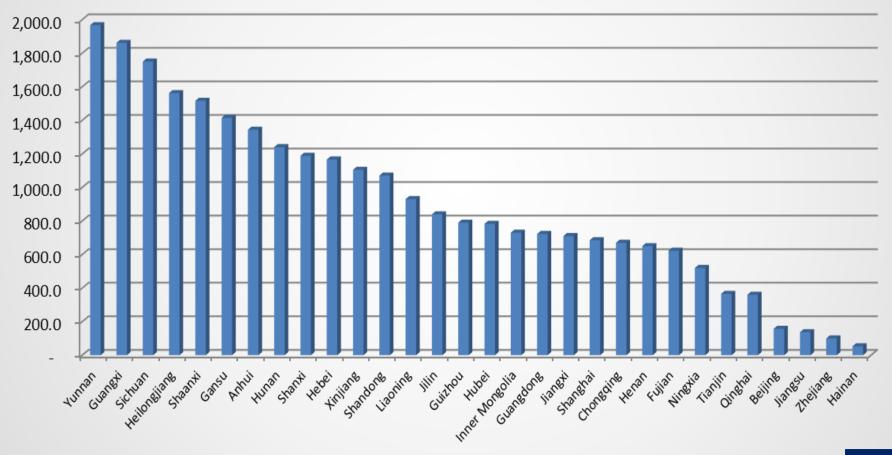
#### **APPROVED LOAN AMOUNT BY SECTOR (1986-2017)**





#### **APPROVED LOAN AMOUNT BY PROVINCE (1986-2017)**

#### In \$ million





# ASIAN DEVELOPMENT BANK RESIDENT MISSION IN THE PEOPLE'S REPUBLIC OF CHINA



#### **STRUCTURE & INITIATIVES**

#### **Programs**

- Preparation and updates of Country Strategy
- Preparation, monitoring and updates of lending and non-lending
   Program

#### **RCI**

- Support PRC's
   participation in ASEAN,

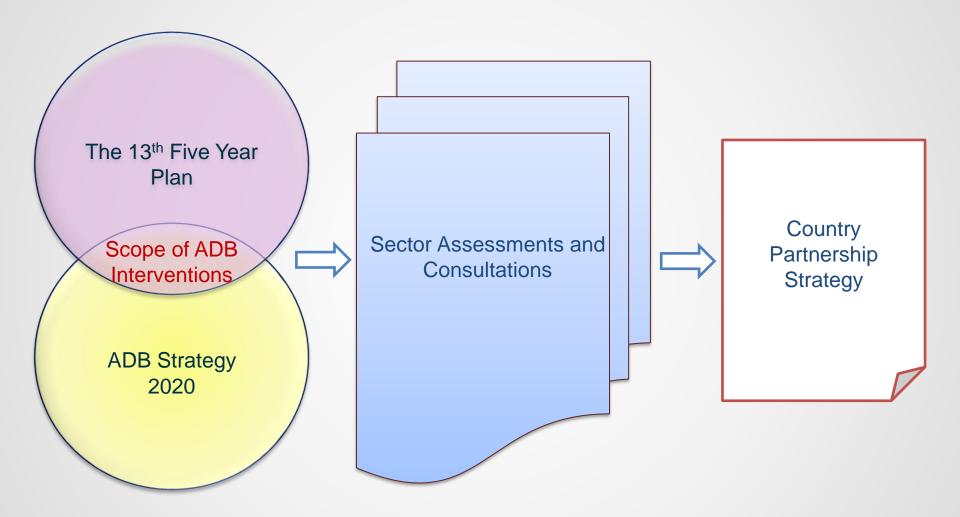
   GMS and CAREC
   activities
- Help mainstream regional projects in country programming

## **Knowledge Integration**

- Preparation and updates of country and sector notes
- Planning and implementation of PRCM's knowledge work, including TA processing / administration



#### **STRATEGIC ALIGNMENT: PRC & ADB**





#### PRC & ADB, 2016-2020

#### **Five Strategic Priorities**

Managing climate change and the environment Promoting regional cooperation and integration Supporting inclusive economic growth Fostering knowledge cooperation Supporting institutional and governance reform



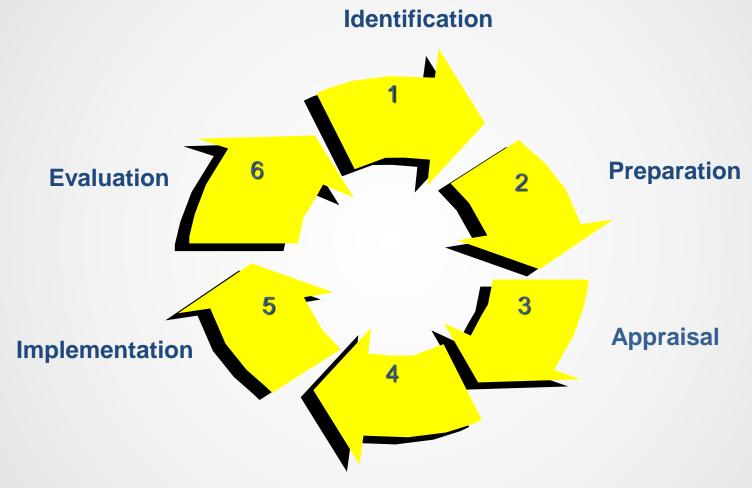
#### **KEY ACTIVITIES**

#### **OUTPUTS**

ADO, ADO-U, ADO-S, **Economic Analysis** Quarterly Update for Board Country Information Note for Senior Management Weekly Summary I (for VP02) **Monitoring Data & Policy** Contributions to ADB Newsletter **Developments** Observations & Suggestions **Working Papers TA Processing &** Presentations (ADB and external) Implementation and Staff's **Knowledge Work Books & External Publications** Media articles and interviews Bilateral meetings with PRC stakeholders **Cooperation and Dialogue TA Final Reports** with & Support for Other ADB Stakeholders Workshops & Conferences



#### **PROJECT CYCLE**



**Loan Negotiation & Board Approval** 



#### THE PROJECT CYCLE TIME REQUEST

Project Cycle	Required Time	Responsible Agency
Project Identification	1-3 years	EA/ADB
2. Project Preparation	1-2 years	EA/ADB
3. Project Appraisal	3-6 months	ADB
4. Loan Negotiation and Approval	1-3 months	EA/ADB
5. Project Implementation	6 +/- years	EA
6. Project Evaluation	6 months	ADB



# REGIONAL KNOWLEDGE SHARING INITIATIVE





#### **OBJECTIVES**

- Sharing PRC development knowledge
- Mutual learning
- Knowledge sharing by:
  - ✓ Flagship and Co-sponsored Events
  - ✓ Knowledge Products
  - ✓ Partnerships and Networks
  - ✓ Communication Channel Website







#### **ACHIEVEMENTS**

- 12 Flagship Events with 800 participants
  - ✓ Environment and Climate Change (1)
  - ✓ Inclusive Urban and Social Development (8)
  - ✓ Regional Cooperation (1)
  - ✓ Cross-Cutting (2)
- 29 Co–sponsored Events with 3500 participants
  - ✓ Environment and Climate Change (11)
  - ✓ Inclusive Urban and Social Development (7)
  - ✓ Regional Cooperation (9)
  - ✓ Non Core Other (2)
- Knowledge Products (Publications)
  - √ 7 disseminated, 1 in preparation













#### 20+ PARTNERS

- 8 Ministries and Provincial Governments
- 5 Universities
- 12 Centres of Excellence /Think Tanks/Other Agencies
- 2 Regional Networks (GMS, CAREC)
- ADB internal partners

#### **WEBSITE**

www.rksi.org



**Users** 



**Pageviews** 



Downloads





#### **PRIVATE SECTOR OPERATIONS**



#### PRIVATE SECTOR OPERATIONS

#### What Drives Us?

**Our Vision** 

To contribute to making Asia and the Pacific a region free of poverty

**Our Belief** 

 That private investment can be an engine of inclusive and environmentally sustainable growth

**Our Mandate** 

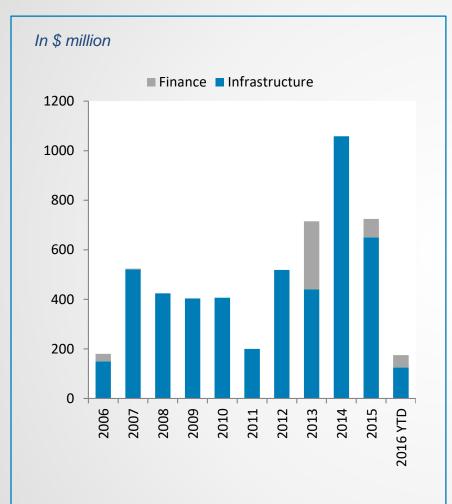
▶ To formulate and implement ADB strategies for the provision of debt and equity financing as well as other credit enhancement and technical assistance to the private sector

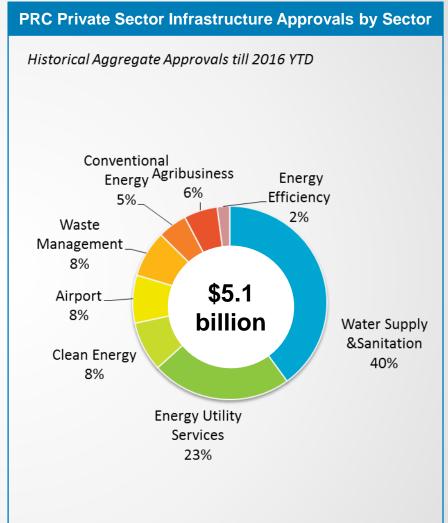
#### What Do We Do?

- Finance private sector transactions in infrastructure, financial services, clean energy, agribusiness and other core sectors via debt and equity investments
- Mobilize third-party capital into our transactions via credit enhancement products and risk transfer agreements
- Invest in private equity and other structured funds and manage institutional capital in such funds on behalf of clients
- Actively manage our investment portfolio to ensure strong financial performance, high developmental impact and strong compliance with environmental, social and governance safeguards



#### PRC PRIVATE SECTOR OPERATIONS AT A GLANCE







#### ADB'S PUBLIC-PRIVATE PARTNERSHIP OPERATIONAL FRAMEWORK

#### Pillar 1

#### Advocacy and capacity development

- Create awareness
- Invoke leadership
- Identify PPP potential in sector planning and the private sector development agenda
- Development capacity of government and ADB staff
- Enhance external knowledge management links

#### Pillar 2

#### **Enabling environment**

 Develop policy, legal, regulatory, and institutional framework to facilitate, guide, and manage the development of PPPs (country- or sector specific)

#### Pillar 3

#### **Project development**

- Align ADB project cycle to the PPP development process
- Assist pathfinder projects
- Provide support up to contract award and/or financial close that can come as expert support, tool kits, funding costs of transaction advisors, or procurement support

#### Pillar 4

#### **Project financing**

- Provide credit
   enhancement products,
   e.g., equity, long-term debt,
   refinancing subordinate
   debt, cofinancing, and
   quarantees
- Establish credit guarantee facility
- Provide public sector financial support



## **THANK YOU**



www.adb.org/prc cn.adb.org



http://weibo.com/asiandevelopmentbank

