

The logo of the Asian Development Bank (ADB) consists of the letters "ADB" in a white, serif font, centered within a dark blue square.

ADB

Asian Development Bank

ADB Private Sector Operations

**Business Networking Forum
CAREC Federation of Carrier and Forwarder Associations
Tashkent 22-23 August 2013**

A decorative graphic in the bottom right corner of the slide, consisting of several thin, white, wavy lines that curve upwards and to the right, creating a sense of movement and flow.

How We Operate

ADB's private sector interventions are selected to maximize development impact.

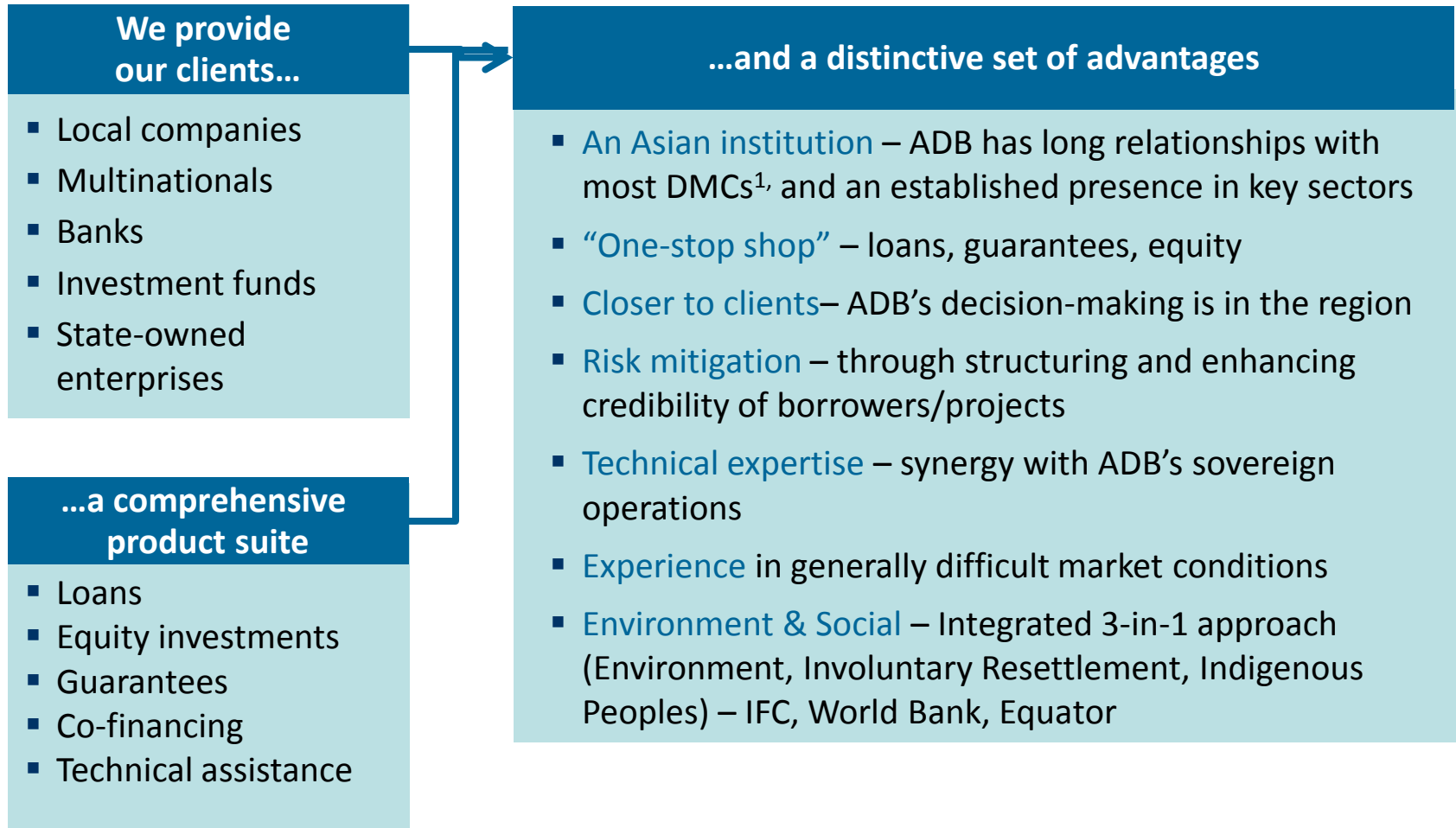


ADB selects projects which

- are aligned with ADB's country strategy
- pioneer innovative, replicable solutions
- have wider sectoral / economic impacts
- have strong poverty reduction elements
- promote good governance
- crowd others in ("catalytic") private sector investors
- deepen financial and capital markets
- bring private sector rigor and management skills into public sector services
- are bankable

Our Value Proposition

Private sector partners benefit from ADB's unique set of advantages.



Notes: (1) DMCs = Developing Member Countries

Our Products

Competitive, well-structured financings to maximize project growth

Loans

- **Direct loan:** market-based pricing with major international and/or local currencies
- **B-loan:** ADB as Lender of Record (funded by eligible third-party financing)
- **Unfunded risk participations:** fronting arrangement with IFIs and/or commercial banks

Guarantees

- **Political Risk Guarantee:** FX restrictions, expropriation, political violence and contract dispute
- **Partial Credit Guarantee:** non-payment by the borrower of the principal and interest due

Equity Investment

- **Investment into enterprises:** common shares, preferred stock, and/or convertibles
- **Investment into financial institutions:** common shares, preferred stock, and/or convertibles
- **Investment into funds:** no involvement in management or control

Technical Assistance

- **Project Preparatory Technical Assistance (PPTA)**
- **Policy & Advisory Technical Assistance (PATA)**
- **Capacity Development Technical Assistance (CDTA)**
- **Research & Development Technical Assistance (RDTA)**

ADB Investments for Meeting Basic Human Needs

By financing critical infrastructure and providers, ADB expands access to essential services

Water & Sanitation



- Access to clean and reliable water
- Expand wastewater treatment, sludge management, sanitation, solid waste management, and water recycling

Social Sector



- Access and quality of education and health services
- Assist capable private-sector service providers
- Support ADB's education initiatives

Food & Agribusiness



- Develop the agribusiness value chain for crops delivery, livestock production, and value-added processing
- Logistics and cold chain
- Warehousing


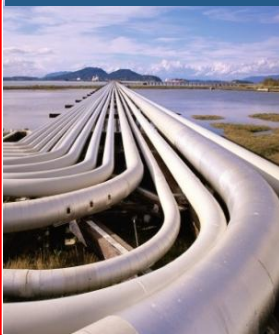





Housing



- Secure safe and permanent shelter
- Partner with major banks and financial institutions
- Promote inclusive growth

Logistics and Transportation

ADB recognizes logistics and transportation are key elements for commercial activities, and necessary for industrialization and economic growth.

Oil & Gas			Transportation	
Upstream 	Midstream 	Downstream 	Ports 	Road 
<ul style="list-style-type: none">Oil/gas field development	<ul style="list-style-type: none">LNG trainOil refineryOil/gas pipelineOil/gas storage	<ul style="list-style-type: none">Oil/gas distributionPetrochemical productsGas utilities	Railways 	Aviation 
			<ul style="list-style-type: none">Development of basic infrastructure resolves a key constraint to economic growth	

PRAN Agribusiness Project (Bangladesh)

Case study



- Loan to PRAN, a leading food and agribusiness company for a liquid glucose plant, a flour mill, and a frozen food processing line
 - Contract farming with at least 50,000 new farmers to supply maize and wheat to the project
 - Connect farmers to local and global food markets helping to sustain high agricultural growth
 - ADB's role:
 - \$25 million corporate loan
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- Key features:
 - 1,000 direct jobs will be created, at least 30% of which for women
 - Help strengthen national food security: PRAN will be the first indigenous producer of fortified flour
 - ADB's first private sector agribusiness project by ADB since 1985

Tianjin Cold Chain Logistics Facility Development (PRC)

Case study



- Construction of cold storage facilities in Tianjin port
 - Establishment of standards for cold storage of perishable foodstuff.
 - Coordination with Tianjin Customs, Inspection and Quarantine Bureau to increase efficiency of the customs clearance process
 - Facilitation of regional trade between PRC and Mongolia within the CAREC program
 - Project cost: \$94 million
 - ADB's role:
 - \$24 million in local currency financing
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- Key features:
 - First PSOD project in the logistics sector
 - First Non-Sovereign Public (NSP) project under PSOD

Surgil Natural Gas Chemicals (Uzbekistan)



- The largest oil and gas project in Uzbekistan, producing gas for commercial use and for conversion into chemicals
 - Owned and developed by Uz-Kor Gas Chemical as it is the first investment agreement based on strategic cooperation between Korea and Uzbekistan
 - Total project cost is \$4 billion
 - ADB's role:
 - \$125 million direct loan
 - \$275 million Political Risk Guarantee
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- Key Features:
 - The largest multisource financing in Central Asia funded by ADB, KEXIM, KSure, China Dev Bank, NBU, and European ECAs
 - Untested commercial and political risk for PF banks, which ADB helped mitigate through its appraisal and PRG offering



*European Petrochemical
Deal of the Year*

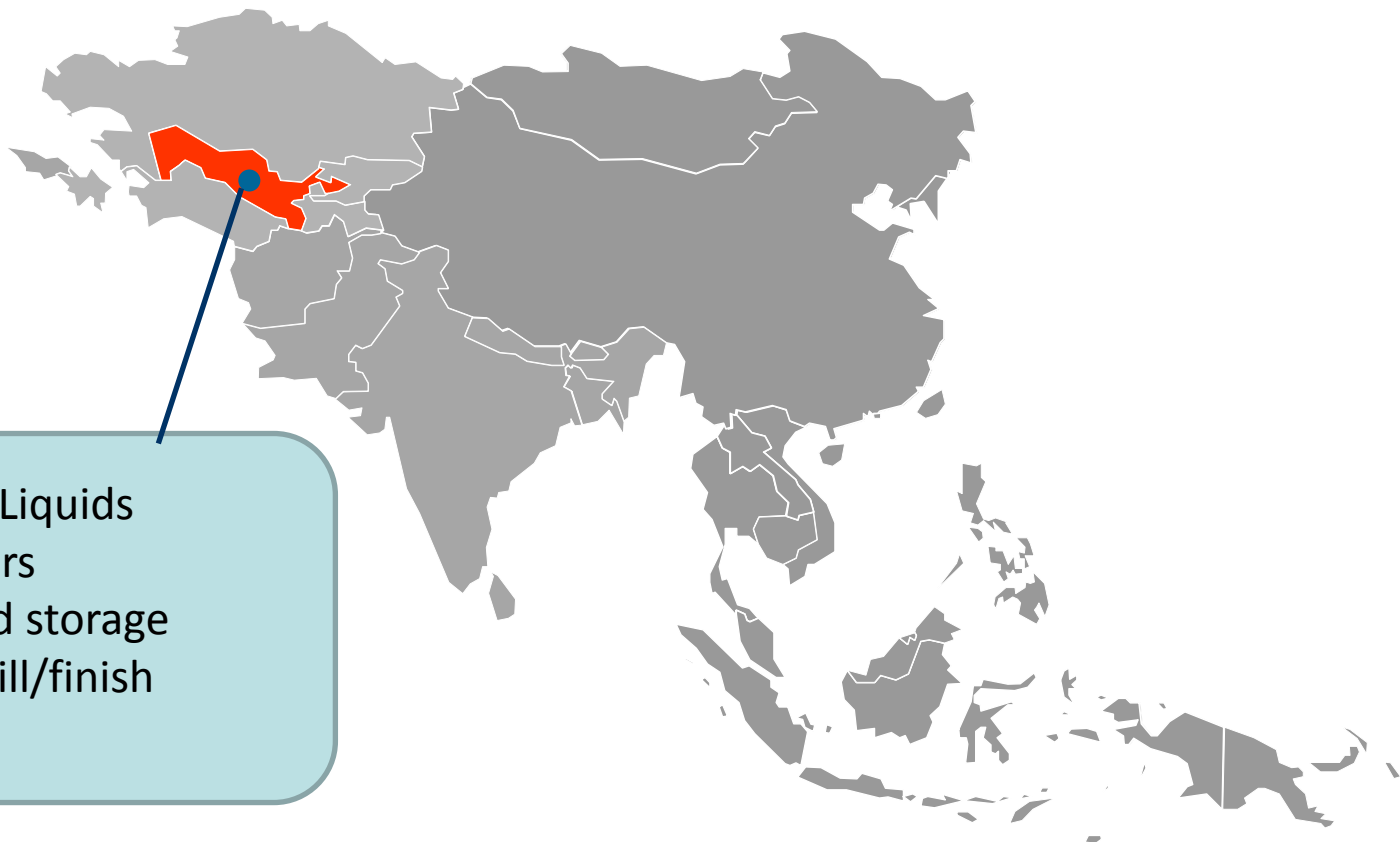
Kandym Gas Field Development Project (Uzbekistan)



- Kandym & Khauzak-Shady are 2 large gas fields in the Bukhara-Khiva region, South of Central Uzbekistan
 - LUKOIL is developing these 2 fields under a PSA signed in June 2004 with a 35-year term

 - ADB's role:
 - \$100 million loan
 - \$200 million of Political Risk Guarantee (PRG)
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- Key features:
 - First private sector project financed in Uzbekistan
 - First major gas project in UZB with foreign commercial banks financing

Projects Under Early Stage ADB Appraisal in Uzbekistan



- Oltin Yo'l Gas-to-Liquids
- Mubarek Polymers
- Agribusiness/cold storage
- Pharmaceutical fill/finish

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