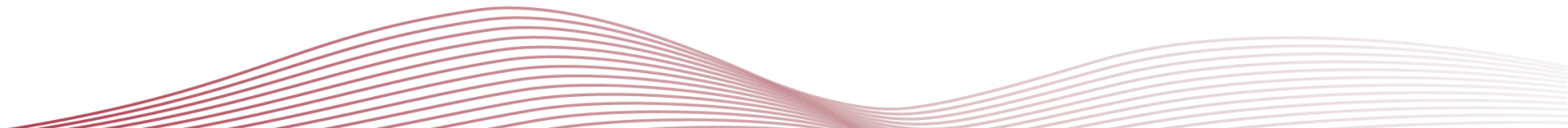


AIIB's Energy Strategy

Sustainable Energy for Asia



Asian Infrastructure Investment Bank

- New multilateral development bank with a mission to improve social and economic outcomes in Asia and beyond
- 87 approved members from across the world
- Our core values:
 - **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



AIIB's Thematic Priorities

- **Sustainable Infrastructure:** Promoting green infrastructure and supporting countries to meet their environmental and development goals.
- **Cross-Country Connectivity:** Prioritizing cross-border infrastructure, ranging from roads and rail, to ports, energy pipelines and telecoms.
- **Private Capital Mobilization:** Devising innovative solutions that catalyze private capital, in partnership with other multilateral development banks, governments, private financiers and other partners.

AIIB's Energy Sector Strategy

- **Objective:** Provide the framework, principles and operational modalities to guide the Bank's energy sector engagement.
- Support 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
- Consistent with AIIB's "Lean, Clean and Green" Core Values and the three thematic priorities.

Key Energy Challenges – Asia Today & Future

2016:

- Approximately 86% of primary energy demand derives from fossil fuels
- About half billion people are without access to electricity
- Almost 1.9 billion people without access to clean cooking facilities
- Asia contributes to almost 40% of global energy related emissions

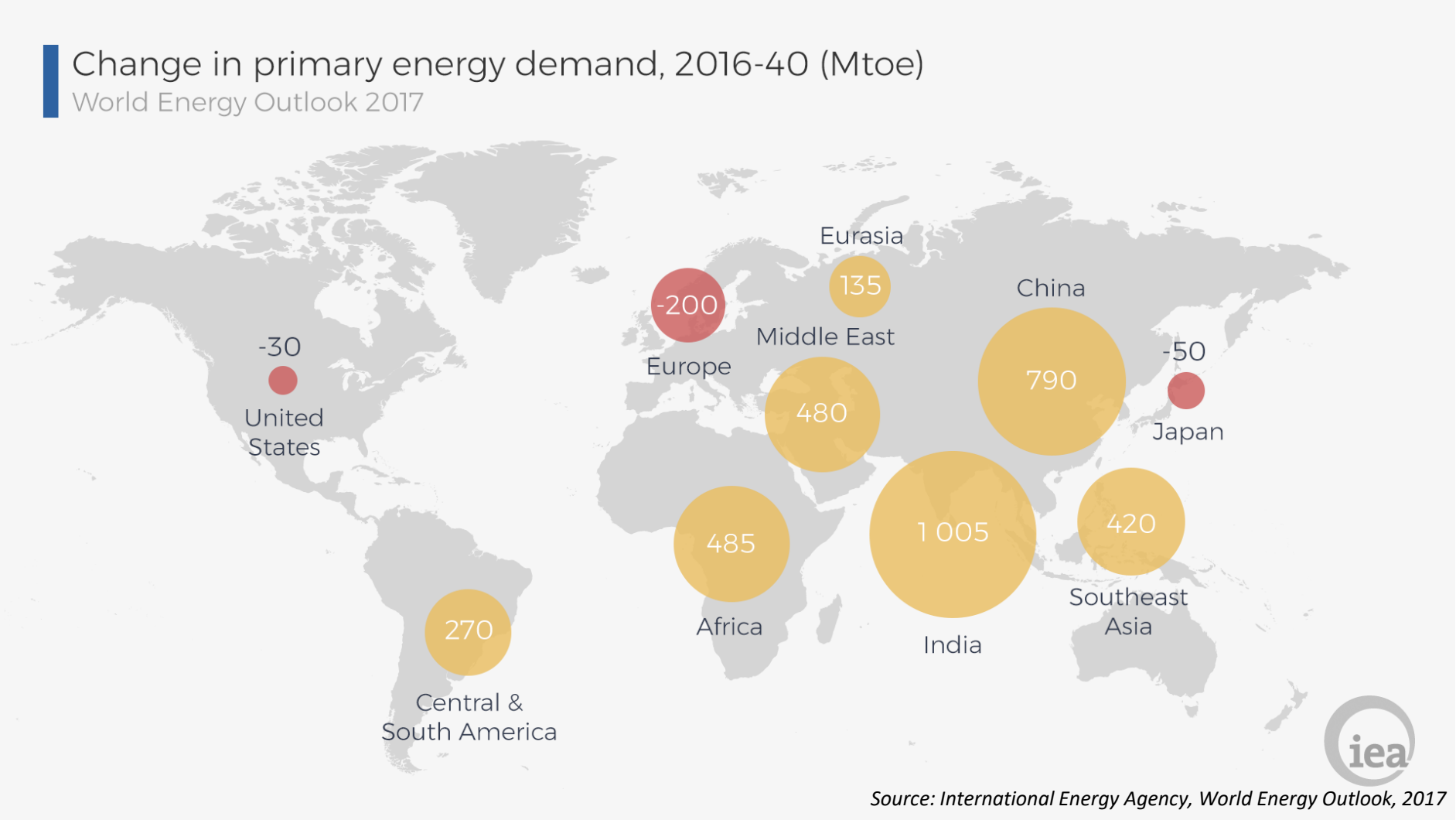
Future:

- 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 PWh) with cumulative investments needs of US\$9.8 trillion by 2040

Source: International Energy Agency, World Energy Outlook, 2017



Growing Energy Demand in Asia (2016-2040)



AIIB's Energy Sector Strategy – 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



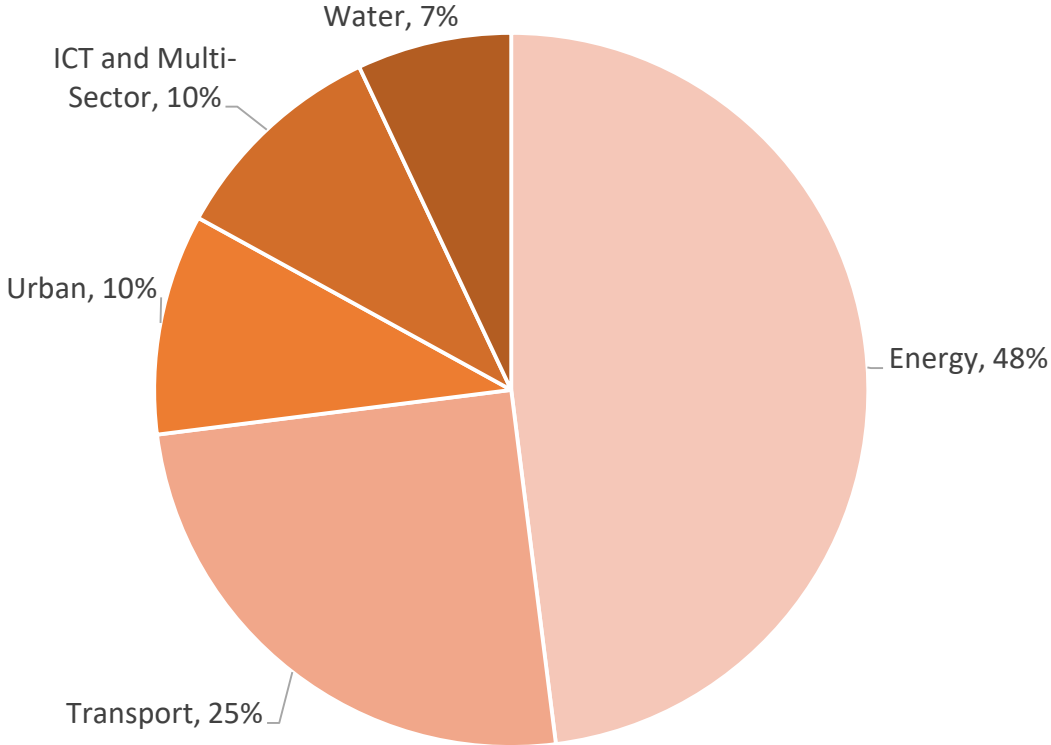
AIIB's Energy Sector Strategy – Sectoral Approach

- Power Transmission and Distribution
- Energy Efficiency Investments
- Renewable Energy Investments
- Local and Regional Pollution Management
- Fossil Fuel Power Generation Investments
- Oil and Natural Gas Processing, Transportation and Distribution

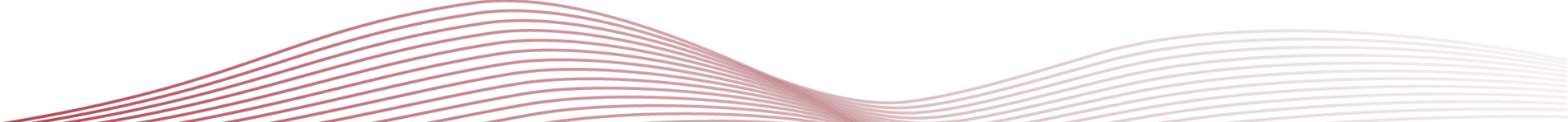
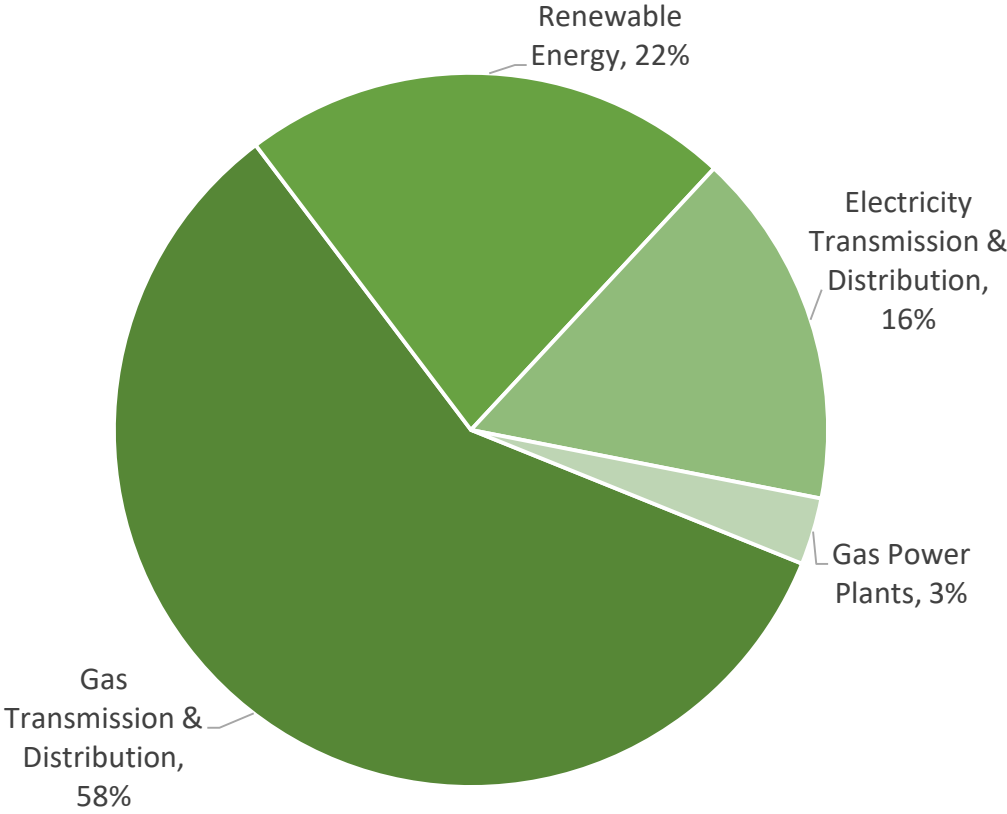


AIIB Energy Investment Operations (June 30, 2018)

Approved Projects by Sector



Approved Projects by Energy Sub-Sector



AIIB Energy Projects in CAREC countries (approved)

Country	Project Title	Project Objective and Expected Results	Co-financed with	Total Amount (Million USD)
Azerbaijan	Trans Anatolian Natural Gas Pipeline Project	<ul style="list-style-type: none"> I. Integrate Azerbaijan with regional and European energy markets by strengthening its connectivity and transit role II. Diversify Azerbaijan's gas export markets III. Improve the energy supply security of Turkey and South Eastern Europe 	World Bank Group, ADB, EBRD, EIB	600
China	Beijing Air Quality Improvement & Coal Replacement Project	<ul style="list-style-type: none"> I. Improve air quality and reduce air pollution through the replacement of coal with natural gas in rural villages in outskirts of Beijing II. Provide gas service connections to approximately 217,000 rural households, and reduce coal consumption of around 650,000 tons annually 	Standalone	250
Pakistan	Tarbela 5 Hydropower Extension Project	<ul style="list-style-type: none"> I. Provide a low cost, clean, renewable energy option and help alleviate severe blackouts and reduce use of gasoline/diesel generators II. Add capacity of 2,820 MW with annual electricity generation of over 4,800 GWh 	World Bank	300
Tajikistan	Nurek Hydropower Rehabilitation Project, Phase I	<ul style="list-style-type: none"> I. Facilitate and restore the generating capacity of three power generating units of Nurek hydropower plant II. Improve their efficiency III. Strengthen the safety of the Nurek dam 	World Bank, Eurasian Development Bank	60



**THANK YOU.
LET'S CREATE TOMORROW.**

