

Energy Efficiency in Asian Development Bank's Energy Sector Operations

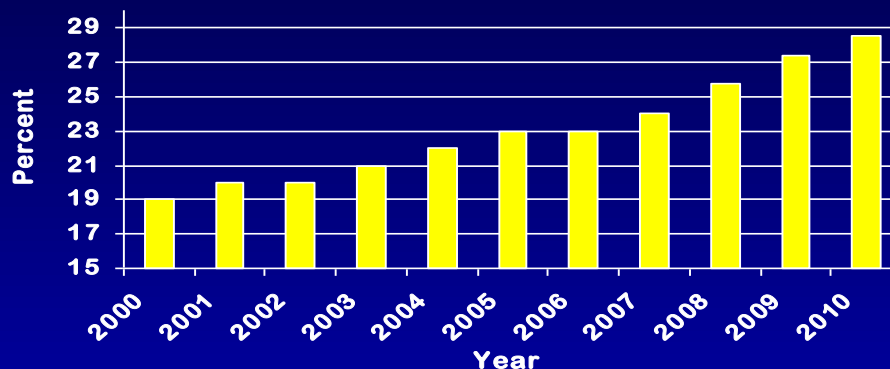
Side Event at COP17, Durban

6 December 2011

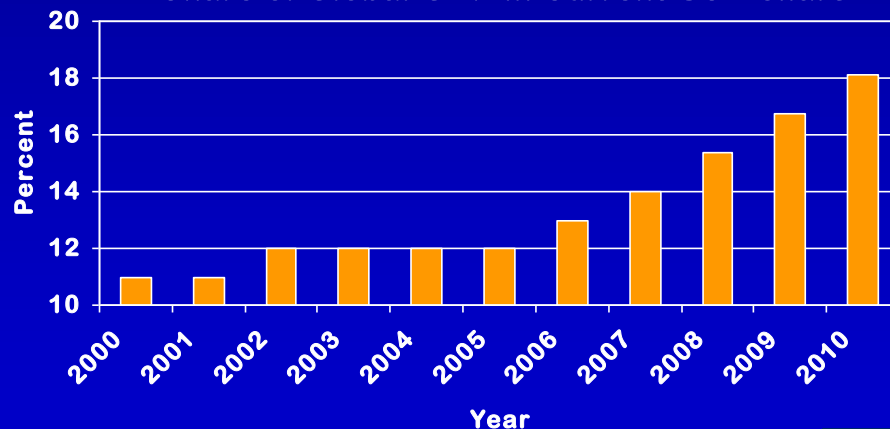
The Context

- ADB developing member countries' rising shares of:
 - Global GDP
 - Global Energy Use
 - Global GHG emissions
- Energy Efficiency on supply and demand sides will help ADB developing member countries to contain risks associated with:
 - Energy security
 - Local environment
 - Climate change

Share of Global GDP in PPP Terms



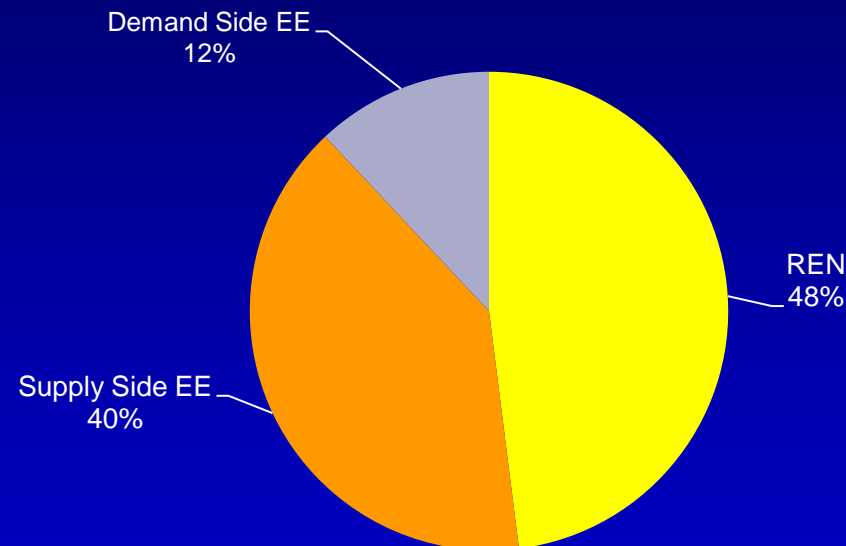
Share of Global GDP in Current US Dollars



ADB's Clean Energy Lending Portfolio (2003–2010)

Total = \$7.3 billion

- Renewables (\$3.5 billion; 48%)
- **Supply-side EE** (\$2.9 billion; 40%)
 - Transmission & Distribution (14%)
 - Expansion, strengthening
 - Tech and Non-tech loss reduction
 - Generation (26%)
 - Combined cycle
 - Combined heat & power
 - Embedded in supply-side programs
 - Can be supported in all / most countries
- **Demand-side EE** (\$0.9 billion; 12%)
 - Agriculture pumping, Water supply / sewerage, Inter-modal transport shift (8%)
 - Industry & Buildings (4%)



Demand-side EE

(Industry and Buildings)

- Rational Electricity tariffs alone do not provide enough impetus to investment in EE improvement
- Work towards removing all barriers (policy/regulatory, institutional, awareness/education, financing, technology, etc.)
- Need a mix of:
 - TA support for EE policy / regulations
 - Promoting commercial EE financing
(financial sector and energy service providers to work together)
 - Facilitating specific EE improvements in energy-user segments
(equipment standards and labeling, building energy codes)
- Lending activity can be supported in some countries
- **ADB needs to strike a balance between supporting energy supply-side programs with demand-side EE programs**

Green House Gas Implications of ADB's Energy Sector Operations

<http://www.adb.org/Documents/Evaluation/Knowledge-Briefs/REG/EKB-REG-2009-38.asp>

Review of Energy Efficiency Interventions

<http://www.adb.org/Documents/Evaluation/Knowledge-Briefs/REG/EKB-REG-2011-37/default.asp>