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ADB, GEAPP and MAS to Establish Energy Transition Acceleration Finance Partnership in Asia

Dubai, 5 December 2023... The Asian Development Bank (ADB), Global Energy Alliance for People and Planet (GEAPP) and the Monetary Authority of Singapore (MAS) today announced their intent to establish a blended finance partnership to accelerate energy transition at scale in Asia.

2 Economic growth, demographic expansion, and increased urbanisation have increased energy demand growth in Asia. 85% of Asia’s energy consumption is from fossil fuels¹. To reduce emissions while achieving its development goals, Asia needs to accelerate and scale up innovative financing solutions for its energy transition.

3 ADB, GEAPP and MAS have signed a Memorandum of Understanding (MOU) to set up an energy transition acceleration finance partnership to mobilise concessional capital from the philanthropic and public sectors, de-risk projects, and crowd-in private capital from around the globe to finance energy transition projects in Asia. Such projects include the early phaseout of coal assets to be replaced with renewable energy, and decarbonisation projects in hard-to-abate sectors. The MOU was signed at the 28th Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change.

4 Through the collaboration, the partners will develop a pipeline of opportunities, and deploy innovative and scalable financing structures to drive decarbonisation in Asia. The partnership will also explore using high-integrity transition carbon credits to improve the commercial viability and sustainability of retiring and replacing coal assets with renewable energy, and facilitate the mainstreaming of such transactions. The transactions will reference global best practice standards, including the Glasgow Financial Alliance for Net Zero (GFANZ) APAC guidelines, Singapore-Asia Taxonomy, and ASEAN taxonomy.

5 The partnership aims to raise up to US\$2 billion in concessional and commercial capital from other like-minded partners. ADB will provide origination, transaction and technical support through its presence and network in countries across the region. The partnership will benefit from ADB’s broader Energy Transition Mechanism (ETM) initiative including policy support for just energy transition, contributions from the governments of Japan, Germany and other countries under the ETM Partnership Trust Fund, and pipeline of investable

¹ [International Renewable Energy Agency \(2023\)](#).

projects. GEAPP will contribute philanthropic capital, its experience in the energy transition, and a coalition of committed partners. MAS will mobilise key stakeholders in Singapore's financing ecosystem, including infrastructure finance platforms such as Clifford Capital. MAS will also enable policy support for the collaboration, including through its transition planning guidance to financial institutions, transition focused taxonomy, and work in developing high-integrity transition carbon credits via the Transition Credits Coalition (TRACTION). All three partners also intend to mobilise and contribute catalytic capital, to crowd in other concessional and commercial capital providers and like-minded partners.

6 "Time is running out to make a meaningful impact on climate change and it is clear that not enough is being done to curtail the most polluting sources of greenhouse gas emissions. This financing partnership with MAS and GEAPP – two leading, like-minded partners – is a significant step towards attracting the requisite capital to phase out coal assets more quickly and replacing these with cleaner energy. This partnership forms a critical alliance in our region's battle against climate change," said ADB President Masatsugu Asakawa.

7 "GEAPP, as a robust alliance with access to catalytic capital, is in a unique risk-tolerant position to enable allocation of funds and resources towards climate solutions. By bringing in diverse partners, GEAPP aims to create avenues to streamline capital flow using blended finance. This bridges the gap for early-stage projects that have long-term potential but may not attract investment at the nascent stages. We are confident that the energy transition acceleration finance partnership with ADB and MAS will be pivotal in mobilising necessary capital to create new markets and strengthen the existing clean energy ecosystem," said GEAPP Asia VP Kitty Bu.

8 "Blended finance and carbon credits are key success factors for an effective and just energy transition in Asia. MAS is pleased that this energy transition acceleration finance partnership with ADB and GEAPP has both of these key components. We encourage global philanthropies, development finance institutions, long term investors, banks and other financiers to join us in this public-private partnership to expand Asia's access to clean energy, reduce greenhouse emissions and contribute to a more sustainable planet," said MAS Managing Director Ravi Menon.

About Asian Development Bank

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members – 49 from the region.

The partnership announced today is part of ADB's Energy Transition Mechanism (ETM) program to deliver on the objective of scaling energy transition, both the early retirement of coal-fired power plants and the acceleration of replacement clean energy, through a replicable market-based model. This partnership will bring together concessional capital from donor partners, such as the Governments of Japan, Germany and other countries, and leverage on private sector capital to bring a just energy transition as a key weapon in the fight against climate change.

About Global Energy Alliance for People and Planet (GEAPP)

The Global Energy Alliance for People and Planet (GEAPP) is an alliance of philanthropy, governments, technology, policy, and financing partners. Our common mission is to enable emerging and developed economies to shift to a clean energy, pro-growth model that accelerates universal energy access and inclusive economic growth while supporting the global community to meet critical climate goals during the next decade. As an Alliance, we aim to reduce 4 gigatons of future carbon emissions, expand clean energy access to one billion people, and enable 150 million new jobs. With philanthropic partners the IKEA Foundation, The Rockefeller Foundation and Bezos Earth Fund, GEAPP works to build the enabling environment, capacity, and market conditions for private sector solutions, catalyze new business models through innovation and entrepreneurship, and deploy high-risk capital to encourage private sector solutions and assist just transition solutions.

For more information, please visit www.energyalliance.org and follow us on Twitter at [@EnergyAlliance](https://twitter.com/EnergyAlliance).

About Monetary Authority of Singapore

MAS is the central bank of Singapore, with the mission to promote sustained non-inflationary economic growth, and a sound and progressive financial centre.

The work on this energy transition acceleration finance partnership is part of the Financing Asia's Transition Partnership ("FAST-P"), a Singapore blended finance initiative in collaboration with key public, private and philanthropic sector partners that aims to mobilise up to US\$5 billion to de-risk and finance transition and marginally bankable green projects in Asia. FAST-P brings together stakeholders including multi-lateral development banks, sovereign partners, philanthropic organisations and the financial sector to support Asia's decarbonisation, narrow the financing gap through the mainstreaming of blended finance, and support economic growth and climate resilience in Asia.

Media contacts

Andrew Achimu

Senior Communications Specialist

Asian Development Bank

Tel: +63 999 999 2871

Email: aachimu@adb.org

Eric Gay

Managing Director, Communications and Advocacy

Global Energy Alliance for People and Planet

Email: eric.gay@energyalliance.org

Jacqueline Ong

Deputy Director (Communications)

Monetary Authority of Singapore

Tel: +65 6229 9159

Email: jacqueline_ong@mas.gov.sg