ADB’s Role in Green Port Development and Maritime Decarbonization

R. Duncan McIntosh, PhD
Senior Regional Maritime Specialist
Asian Development Bank
To achieve a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty.
ADB Membership

Nonregional Members (19 countries)
Austria, Belgium, Canada, Denmark, Finland, France, Germany*, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States*

- Advanced economies and/or graduated developing members.
- Field Office

As of January 2020
ASSISTANCE BY SECTOR

TOTAL OPERATIONS

$33.74 BILLION

$10.19 billion
Transport

$0.74 billion
Information and Communication Technology

$33.74 BILLION

$0.64 billion
Health

$4.10 billion
Industry and Trade

$6.52 billion
Energy

$0.85 billion
Education

$2.50 billion
Agricultural, Natural Resources and Rural Development

$1.31 billion
Water and Other Urban Infrastructure and Services

$0.05 billion
Multisector

$3.97 billion
Public Sector Management

$2.86 billion
Finance

Note: Numbers may not sum precisely because of rounding.
ADB’s
CORE BUSINESS

• Finance
• Knowledge
• Partnerships
Allocation of Concessional Resources

• A performance-based allocation (PBA) mechanism is used to divide a limited pool of concessional resources among eligible countries using a formula that links country performance to individual country allocations.

• The risk of debt distress determines the proportion of grants in the country allocation.
  • countries at low risk of debt distress receive no grants
  • countries at moderate risk of debt distress receive grant allocation equivalent to 50% of PBA share
  • countries at high risk of debt distress receive full grant share.
Allocation of Concessional Resources

We determine the eligibility of DMCs to borrow:
• from **ordinary capital resources (OCR)** at near-market terms,
• or at concessional OCR loan (COL) terms,
• or to receive grants from the **Asian Development Fund (ADF)**.

• DMCs are classified based on their gross national income (GNI) per capita, and creditworthiness, in accordance with ADB’s classification and graduation policy.
Infrastructure Financing

examples
Samoa: Enhancing Safety, Security, and Sustainability of Apia Port

• $65M Grant
• Climate and disaster resilience:
  • As the existing breakwater is inadequate to withstand the impact of future climate change (sea level rise) and the 100-year storm, the project will reconstruct and strengthen the breakwater, to enhance its resilience serve as a lifeline port, to operate in the aftermath of disasters to receive vessels carrying aid and emergency supplies.
• Developed Green Ports Policy
Nauru: Sustainable and Climate-Resilient Connectivity Project

- $40M Grant
- building a wharf, breakwater, and a berth pocket at Aiwo, reconstructing port buildings and the container storage area, and strengthening the institutional capacity of the Nauru Maritime and Port Authority (NMPA).
Solomon Islands: Land and Maritime Connectivity Project

- $75M Grant
- to upgrade about 35 km of roads in Honiara city and the surrounding regions, construct 2 rural wharves, and reconstruct and strengthen an old wharf in Honiara port.
- to improve connectivity, efficiency, and disaster resilience of transportation network in Solomon Islands.
Tuvalu: Outer Island Maritime Infrastructure Project

- $50M Grant
- Small-scale harbors constructed in Nui, Niutao, and Nukulaelae, and boat ramps in Nanumaga and Niutao rehabilitated.
- Transport sector master plan for future harbor development in the outer islands created, with a view to promote fisheries and tourism.
- Also $30M Grant to replace the existing passenger and cargo ship Manu Folau, which is in an unserviceable state.
Tonga: Nuku'alofa Port Upgrade Project

- $45M Grant
- to upgrade the Nukualofa port, rehabilitate, renew and expand the existing infrastructure and improve the management and operations practices
Knowledge Products

examples
Tonga Volcano Damage Assessment

Nuku’alofa Port
Tonga, 16 January 2022

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GiA Assessment: The Nuku’alofa Port was assessed to have Limited to Moderate Damage. Limited surface flooding was observed around the POD facility. A moderate area of flooding lay between the Apihiqiu College and the port. Road access to the wharf was obstructed by fallen containers, ash, and other debris. Two mobile cranes were observed. One had its boom arm lowered horizontally along the ground. Both were covered in ash. Small vessels operated behind the breakwater.
SEA Green Ports Scoping Study

- **Defined** environmental regulatory settings for:
  - Air quality management including GHG emissions,
  - Water quality management; and
  - Solid waste disposal, noise and light pollution

- **Defined** scale and operation of port activities

- **Analyzed** application and compliance of port management to national legislation

- **Recommended** enhanced approach to expanding coverage and compliance of environmental concerns emanating from seaport operations
SA-SEA Maritime Connectivity Study

**Shipping Service Recommendations**
- More direct hub-to-port feeder links – reduction in circuit voyages
- Deployment of larger feeder vessels
- Reduction in geared and non-cellular container ships
- Increase in direct mainline services (East India - Thailand & Vietnam initially via hubs and linkages with West India)
- Reduction in ‘double-hubbing’

**Ports and Infrastructure Recommendations**
- Expansion of existing terminals
- Increasing Draught at Riverine Ports
- Additional Specialist Handling Equipment
- Improved Port Access Roads
- More off-dock support infrastructure ICD/CFS/ED
- Additional IT Linked Applications
- Adoption of Green Port Standards

- **Analyzed**
  - Shipping services
  - Ports and multimodal infrastructure
- **Developed** roadmap of maritime investments to facilitate inter-subregional trade between SA and SEA
- **Recommended** detailed pipeline of projects to support economic growth
Partnerships
examples
The Silk Alliance

The objectives

The Alliance

To pilot a viable, zero-carbon “Green Corridor” maritime route in Southeast Asia

Build a resilient, long-term, fleet-specific decarbonisation plan in collaboration with stakeholders from across the supply chain.

Enable tangible commitments from selected stakeholders to invest in actions drawn out of the plan and build pilot demonstrations.

Demonstrate regional leadership that can build wider industry confidence in an earlier transition, whilst building first-mover capability and knowledge that can contribute to the wider industry.
A New Financing Facility for Green Ports and Maritime Decarbonization

• Currently developing a business plan for a Financing Facility for green infrastructure investment projects in ports across Asia and the Pacific to:
  • reduce carbon emissions and air and water pollution;
  • improve solid waste management; and
  • enhance the resilience of the ports and emergency response preparedness

• Within the framework of existing port development plans.
• Supporting greening of ports and decarbonization of maritime transport.
A New Financing Facility for Green Ports and Maritime Decarbonization

**TASK 1**
Inception
- Desk review and data collection

**TASK 2**
Benchmarking & Gap Analysis
- Port shortlisting process
- Gap analysis
- Benchmarking exercise
- Determine focused green port topics

**TASK 3**
Designing the Facility
- Need for a facility
  - Identifying the role of potential investors
  - Design the Financing Facility
  - Business & Operational Plan

**TASK 4**
Stakeholder Engagement
- Stakeholder engagement plan
- Digital survey
  - Interviews with the port stakeholders and existing financing facilities
  - Site visits
- Interviews with financial stakeholders
  - Meetings with potential investors
  - Regional workshop
A New Financing Facility for Green Ports and Maritime Decarbonization

March 20th
Inception Report

May 12th
Interim report

July 7th
Draft Final Report

August 18th
Final Report

End of September
Project Completion

March - May
Task 2 & 3 work,
Digital Survey,
Interviews, &
Port Site Visits

May - July
Task 3 work,
& Interviews

July
Regional Workshop
& Meetings
with potential investors

August-September
Meetings with potential investors
Thank you

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