

 Early Warning System

ADB-58185-001

Enabling the Development of Inclusive, Resilient, Diverse, and
Responsible Critical Minerals and Clean Energy Technology
Manufacturing Supply Chains



Quick Facts

Countries	Indonesia, Mongolia, Uzbekistan, Vietnam
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-05-31
Borrower	Government of Indonesia, Government of Vietnam, Government of Uzbekistan, Government of Mongolia
Sectors	Energy, Law and Government, Mining, Technical Cooperation
Investment Type(s)	Advisory Services
Investment Amount (USD)	\$ 0.23 million
Grant Amount (USD)	\$ 0.23 million
Project Cost (USD)	\$ 0.23 million



Project Description

According to the ADB, supply risks threaten the tripling of renewable energy capacity by 2030. The global stock take agreed at the United Nations Climate Change Conference (COP28) outlines mitigation actions to reach Paris Agreement goals. Two key actions included in the UAE Consensus limiting global warming to 1.5 degrees Celsius underscored the urgent need to tripling renewable energy capacity and doubling the average annual rate of energy efficiency improvements by 2030. The accelerated shift to clean energy systems will require a radical increase in clean energy technology (CET) manufacturing capacity. Given the high mineral- and material-intensity of key energy transition technologies, the world is already experiencing an unprecedented demand growth for extracting and processing critical minerals (CM) and materials.

For low- and middle-income DMCs of ADB to seize the tremendous growth opportunity from the clean energy transition and to secure their CM and CET supply chains, governments need capacity building, policy and regulatory design support, as well as assistance in developing their processing capacity. They need support in (i) establishing an enabling environment and regulatory framework that catalyzes private sector investments in mining, minerals production and processing, and CET manufacturing while addressing the myriad of ESG risks and other risks that could set off supply chain disruptions; (ii) trade facilitation and economic corridor development; (iii) project identification and development must be enhanced; and (iv) blended financing solutions to de-risk supply chain investments in CM and CET manufacturing.

Moreover, governments need to invest in (i) detailed geological surveys; (ii) reinforcing infrastructure and logistics value chain, from constructing necessary roads and railway networks, ports, and building logistics hubs; (iii) digitizing the value chain to facilitate traceability of minerals and technology components; (iv) putting in place decarbonized energy supply; and (v) upskilling a specialized labor force. Several ADB DMCs and private sector clients approached ADB and ADB has begun to commit initial knowledge solutions, technical assistance, and lending support.



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Investment Description

- Asian Development Bank (ADB)



Contact Information

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No contacts provided at the time of disclosure.

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Bank Documents

- [Project Disclosure PDF](#)