

Water Bond

Investor Factsheet

Why Water

Water is at the center of economic and social development. It is the common denominator across economic sectors including energy, industry, and agriculture. Good management of water resources will be central to green growth for all. The global water challenges are getting more complex with a changing climate:

- Feeding a planet of 9 billion by 2050 will require better water use in agriculture. It is estimated that feeding the world will require approximately 50 percent more water in 2050.
- Energy demands will more than double in poor and emerging economies in the next 25 years. About 18 percent of all energy comes from hydropower. Yet, Africa exploits only 7 percent of its potential.
- By 2025, nearly two-thirds of countries will be water-stressed and 2.4 billion people will face absolute water scarcity.



Increasing Interest in Green Growth in Korea

The Korea government adopted the “Low Carbon, Green Growth” strategy as a national vision and announced the “Green ODA Plan” in 2009



Under the Plan, Green ODA is to account for 20% of total Korean ODA by 2013 and is to be steadily increased to 30% by 2020



<Opening Ceremony of GCF>

And recently the permanent headquarter of GCF(Green Climate Fund), a U.N fund to help combat global warming by supporting developing and underdeveloped economies, was launched in Incheon, Korea on December 2013.

The GCF is a valuable platform for Korea to take bigger role in global effort to tackle climate and environment issues.

KEXIM's Green Finance

Green Financing comprehensively integrates services to best support Korean companies conducting business in green industries such as new and renewable energy, nuclear power, water treatment, etc

KEXIM's Green Pioneer Program(GPP)

- **January 2009:** KEXIM established the **Green Finance Department**, aiming to provide financial assistance for green projects including water-related projects.
- **January 2010:** Amidst growing concerns about climate change and depletion of energy resources, the Korean government introduced a framework promoting sustainable growth entitled the Framework Act on Low Carbon, Green Growth.
- **In 2010:** In accordance with government initiatives, KEXIM substantially increased green financing and adopted the Green Pioneer Program ("GPP") to assist Korean institutes expand into overseas green markets while simultaneously strengthening the fundamentals of Korea's green industry.
- KEXIM plans to provide KRW40tr in green financing by 2015 through a GPP.



KEXIM's Water Projects

As major pillar of Green Pioneer Program, Water related sectors for KEXIM's financing include Hydro power, Water supply, Desalination, etc.

KEXIM's ongoing Water Projects(Selected)

- The Muharraq Wastewater Treatment Project
 - Sewage treatment plant and sewer conveyance system at Muharraq in the Kingdom of Bahrain
- Pakistan Partind Hydropower Project
 - The development, financing, construction, operation and maintenance of 147MW run-of-the-river hydroelectric power plant at river Kunhar, in Muzaffarabad.
- PT. Wampu Hydroelectric Power Project
 - The development, financing, construction, operation and maintenance of 147MW run-of-the-river hydroelectric power plant and the design, financing, construction and transfer to PT PLN(state-run power corporation of Indonesia) upon completion of a 150kV transmission line and the associated equipment, in North Sumatra Province.

With the increasing demand for development and improvement of water as a resource and infrastructure, KEXIM has continued to support a number of water-related projects since the launch of Water Bond on May of 2013.

<KEXIM credit volume for water-related project>

