

ADB Launches Regional Fund to Accelerate ASEAN Power Grid Delivery

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The Asian Development Bank (ADB) has launched a new multi-partner fund to accelerate the development of cross-border energy infrastructure across Southeast Asia, marking a significant step in advancing the ASEAN Power Grid.

The Regional Connectivity Fund for Energy in Southeast Asia (RCF) is the first facility of its kind in the region dedicated specifically to project preparation, addressing one of the most persistent bottlenecks in large-scale infrastructure delivery.

Backed by initial funding of around \$25 million from Australia, Canada, the European Union, Germany, and the United Kingdom, the fund will focus on turning early-stage concepts into bankable, investment-ready projects.

From a project management perspective, the initiative reflects a growing recognition that delivery success is often determined long before construction begins.

ADB President Masato Kanda said:

“The ASEAN Power Grid is one of Southeast Asia’s greatest opportunities, with the potential to deliver energy security for nearly 700 million people and power the region’s growth. Thanks to the strong support of our partners, today’s launch of this project preparation fund is a decisive step toward accelerating high-quality ASEAN Power Grid investments and turning regional ambition into action.”

Addressing the project preparation gap

The RCF will provide technical assistance and readiness financing to support key stages of project development, including feasibility studies, engineering design, financial structuring, and environmental and social safeguards.

It will also fund policy and regulatory support, capacity building, and knowledge sharing, helping to create the conditions required for cross-border energy projects to move forward.

This structured approach is critical in a region where infrastructure projects often face delays due to fragmented planning, regulatory complexity, and limited early-stage funding.

By strengthening project preparation, the fund aims to ensure that projects are not only technically sound, but also financially viable and aligned with national and regional priorities.

Enabling a complex regional programme

The ASEAN Power Grid is one of the region's most ambitious infrastructure programmes, aiming to integrate electricity networks across multiple countries by 2045. With Southeast Asia's energy demand expected to triple by 2050, the need for coordinated, cross-border solutions is becoming increasingly urgent.

The grid will enable more efficient energy trading and support the integration of renewable energy sources such as solar, wind, and hydropower, improving both energy security and sustainability.

The RCF is being delivered under the ASEAN Infrastructure Fund (AIF), with ADB managing the initiative in close collaboration with ASEAN member states.

From ambition to execution

ADB has already committed up to \$10 billion over the next decade to support the ASEAN Power Grid and related investments. However, the creation of the RCF signals a shift in focus towards execution readiness, ensuring that projects can progress from concept to delivery at pace.

By investing in the early stages of the project lifecycle, the fund aims to reduce risk, improve coordination, and accelerate timelines across what is effectively a multi-country programme.

The initiative highlights a broader trend in global infrastructure delivery: capital alone is no longer enough. Success increasingly depends on the ability to prepare, structure, and manage complex programmes with discipline from the outset.