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Greening Half the World

Leveraging the New Development Bank for Green Finance

Mannat Jaspal and Anil Kishora

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Chapter 1

The BRICS+ Context and the Role of Emerging Economies in the Green Transition

In an era of rising minilateralism and newly forged alliances amidst a disruptive global world order, the BRICS grouping has emerged as a powerful and collective voice representing the Global South. Originally comprising Brazil, Russia, India, and China in 2006—with South Africa joining in 2010—the group has expanded following the Johannesburg Declaration in 2023.[1] As of 2026, the enlarged membership comprises ten member countries:[2] the five founding members and five additional members, viz., Egypt, Ethiopia, Indonesia, Iran and the United Arab Emirates (UAE).

In addition to full membership, BRICS allows countries to contribute as "partners". Through an agreement in the Johannesburg Declaration, formalised at the 2024 Kazan Summit,[3] BRICS can invite partner countries to the Leaders' Summit and other engagements. This mechanism promotes inclusive representation and South-South cooperation on sustainable development by reinforcing shared interests and policy convergences. At the time of writing this report,[4] ten countries hold partner status:[5] Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan, and Vietnam.

More than 30 countries[6] expressed interest in participating in the BRICS grouping as either members or partners in 2024—a strong reflection of its growing popularity and rising significance. While the initial mandate of the grouping was economic integration and expanded market access, the collective agenda has since expanded given the geopolitical, geographic, and demographic profiles of the countries.

Today, the grouping stands as a crucial axis for impact, particularly in accelerating green transitions. As emerging economies poised to drive the majority of future energy demand, and consequently emissions, BRICS countries hold tremendous potential to mitigate climate impacts at the lowest marginal cost of abatement.

Moreover, green transitions are an urgent priority for these countries, which as emerging economies face disproportionately severe climate impacts due to their geographical location, economic sensitivity, and weaker adaptive capacity, despite low historical contributions to global emissions and modest per capita energy consumption. All BRICS+ countries, except Iran and Egypt, have already announced net-zero targets, signalling a strong commitment to climate action. The 2025 Brazilian BRICS Presidency Declaration[7] reaffirmed the group's firm commitment to the Paris Agreement and to mobilising collective efforts in addressing the global climate challenges.

Table 1: Emissions, Population Share, and Net-Zero Targets of BRICS+ and Additional NDB Members

Country	% of Global Emissions	% of Global Population	Net-Zero Target Year
Brazil	2.44	2.60	2050
Russia	4.84	1.76	2060
India	8.22	17.8	2070
China	29.20	17.3	2060
South Africa	1.07	0.786	2050

Country	% of Global Emissions	% of Global Population	Net-Zero Target Year
Egypt	0.73	1.43	-
Ethiopia	0.36	1.62	2050
Indonesia	2.49	3.48	2060
Iran	1.98	1.12	-
United Arab Emirates	0.50	0.133	2050
Bangladesh	0.42	2.13	-
Algeria	0.47	0.575	-

Source: Authors' own; data sourced from World Bank Group, Population, total;[8] and UNFCCC, Actor tracking[9]

BRICS countries have made substantial progress in advancing clean energy, even as they balance their rising energy demand due to critical development imperatives. The UAE, for example, despite historical reliance on fossil fuels export revenues, is now spearheading and investing in decarbonisation, driven by evolving economic strategies and geopolitical realities. These shifts are critical as emerging geographies have the highest carbon abatement potential in terms of cost.

However, climate finance remains the most persistent bottleneck for emerging economies in transitioning to net-zero pathways. To address this, BRICS countries have committed to a BRICS Cooperation Framework for Enhancing Financing for Climate Action in the Leaders' Framework Declaration on Climate Finance released in July 2025.[10]

Chapter 2

The NDB Really Matters

The New Development Bank (NDB) is a multilateral financial institution established by Brazil, Russia, India, China, and South Africa in 2015 with the objective of mobilising resources to support infrastructure and sustainable development in member countries. It is headquartered in Shanghai, China.[11] Aligned with the growing focus on green transitions in these countries, the NDB's General Strategy for 2022–2026 commits 40 percent of total project approvals to climate mitigation and adaptation projects over the strategy period.[12] This positions the NDB as an important player in the sustainable financial architecture landscape.

However, it is important to not conflate the BRICS political platform with the NDB's membership, institutional mandate, or operational framework. While the bank was initiated by the BRICS countries, it functions as an independent multilateral development bank with its own governance, lending policies, and strategic priorities. Box 1 summarises these distinctions.

Box 1: BRICS Membership Vs. NDB Membership

- **BRICS Membership:** Includes the five founding members: Brazil, Russia, India, China, and South Africa

- **BRICS+ Grouping:** A political outreach effort to emerging markets and developing countries. In addition to the five founding members, BRICS+ includes Egypt, Ethiopia, Indonesia, Iran and the UAE.

- **NDB Membership:** Open to both advanced and emerging UN member states. The NDB members include the five founding members, two BRICS+ countries – Egypt and the UAE, and two non-BRICS+ countries – Bangladesh and Algeria.

Thus, NDB membership is neither automatic for BRICS+ countries nor exclusive to BRICS or BRICS+ countries. The NDB's lending, governance and operational framework are independent of the BRICS political platform and apply solely to its members.[13]

Source: Authors' own

Figure 1: NDB Members' Share of Total Global GDP, Average GDP Growth, and Global Population

Source: New Development Bank, Investor Presentation 2025[14]

Notes:

1. NDB members include Brazil, Russia, India, China, South Africa, Bangladesh, UAE, Egypt and Algeria.

2. EMDCs: Emerging market economies and developing economies.

3. The shares of global GDP and the contribution to global GDP growth are based on GDP in purchasing power parity (PPP) terms.

The NDB members represent nearly half the world's population and approximately 37 percent of global GDP. With several countries in line seeking membership, the economic footprint of the bank's member countries is set to expand further.

These countries are expected to drive global future growth while simultaneously requiring significant investments in infrastructure, energy systems, and climate-resilient development. In this context, the NDB is uniquely positioned to support both public and private sector projects, aligned with the Sustainable Development Goals (SDGs) and member countries' commitments under the Paris Agreement. By mobilising financing from diversified public and private sources, through loans, equity, guarantees, and other financial instruments, it can play a catalytic role in supporting this enormous financial need. This represents a rare and unprecedented opportunity to support the green transformation of a substantial share of the global economy, effectively an opportunity to "green half the world."

At the same time, it is important to note the limits of NDB lending. With a paid-in capital of US$10 billion, the bank cannot, on its own, meet the scale of energy transition financing requirements of its member countries. Moreover, due to fiscal constraints of these countries, increasing paid-in capital contribution is not considered feasible and is unlikely in the near term.

Thus, this report does not argue that the NDB should attempt to finance the green transition on its own. The authors propose that the bank augment its resources and scale up mobilisation by utilising innovative financial instruments; enhancing capital adequacy; and expanding partnerships with regional development banks and local institutions, sovereign wealth funds, global banks, and institutional investors, among others. Through co-investment and de-risking mechanisms that pull in private investors while allowing it to restrict its own capital utilisation, the NDB can help generate a sizeable pipeline of projects that crowds in private capital. Such an approach is essential for achieving the scale and urgency required for the green transition.

Chapter 3

The Twin Challenges in Green Finance

Despite political will and a favourable regulatory environment, challenges persist in translating ambition into investment for the member countries, stemming from both supply and demand side constraints.

3.1 Supply Side: Capital Availability and Cost of Capital Challenges

To achieve the goals of the Paris Agreement, emerging market and developing economies (EMDCs) will need (from international public and private sources) US$1 trillion per year in additional climate finance by 2030 and around US$1.3 trillion by 2035.[15] The climate investment in EMDCs, with the exception of China, will need to increase more than fourfold

to US$2.4 trillion per year by 2030, which includes US$1.6 trillion for clean energy transitions; US$250 billion for adaptation and resilience; US$250 billion for loss and damage expenses; US$300 billion for natural capital and sustainable agriculture; and US$40 billion for fostering a just transition.[16] This will require a fifteenfold increase in private finance, a fivefold increase in concessional finance, and a tripling in multilateral development finance.[17]

To put things in context, three important statistics should be considered: a) the global assets under management were expected to reach a record US$147 trillion by the end of June 2025;[18] b) the clean energy investments stood at US$2.2 trillion in 2025;[19] and c) nearly 80 percent of the climate finance mobilised in advanced economies is deployed and invested domestically.[20] This points to two worrying trends. First, despite abundant global capital, private investments in climate action and energy transitions remain low and slow. Second, investment flows in emerging economies are particularly weak.

These trends are largely driven by the high cost of capital faced by emerging economies, which makes risk-adjusted returns less lucrative to private investors. Big-ticket green projects are often greenfield ventures that carry significant execution risk. Many are implemented by standalone special-purpose vehicles (SPVs), which increase lender exposure in the absence of a parent company to guarantee or cover the loan repayment if the project fails. As a result, debt servicing remains contingent on the successful completion of the project and the generation of revenues. In the event of revenue shortfalls or outright execution failures, lenders may be forced into loan restructuring, asset sales, or even liquidation—processes that not only are time and resource intensive, but also force haircuts on lenders and ultimately affect the financial institution's (FI's) shareholders. These risks substantially increase the cost of capital for the private sector and reinforce investor caution.

Even where project-specific risks can be mitigated, the systemic or macroeconomic risks such as currency volatility, inflation, political instability, and regulatory uncertainty remain largely non-diversifiable. These push the cost of capital exponentially, rendering otherwise viable projects as un-bankable. While some of the risk parameters are grounded in real structural constraints, others stem from perceptions of investing in emerging economies.

Thus, despite strong political will and supportive government policies, the pace of green transition in the BRICS+ economies will inevitably depend on securing large and additional capital from international public and private sources over the next few decades. Reflecting this reality, in July 2025,[21] BRICS released a joint statement endorsing and rallying behind the US$1.3 trillion commitment for developing countries identified in the COP30 Baku to Belém Roadmap.

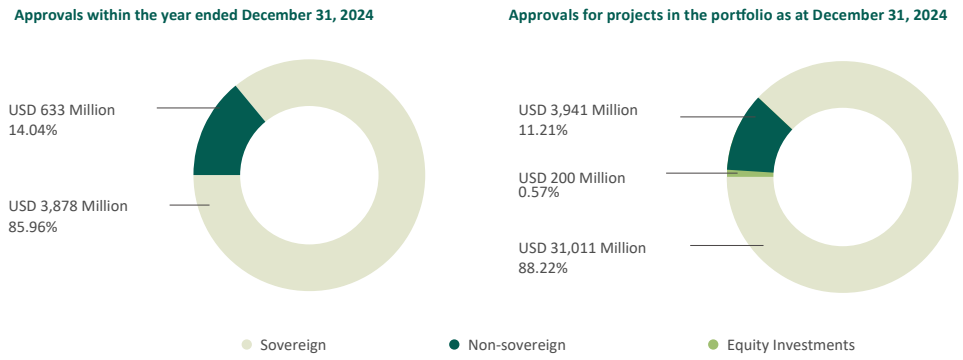
3.2 Demand Side: Bankability Problem

A constraint to climate finance flows in emerging economies is the lack of a robust pipeline of investible and bankable projects. This gap holds back financing, particularly from the private sector, despite global liquidity for green investments existing in principle.

While multilateral development bank (MDB) operations have historically been skewed towards sovereign and sovereign-guaranteed lending, bankability concerns become more acute in non-sovereign operations where repayment depends entirely on project cash flows instead of sovereign backing.

Aligned with the growing demand for non-sovereign financing among its member countries, NDB provides both sovereign and non-sovereign loans as per its General Strategy (2022-26), including for projects undertaken by subnational governments, state-owned enterprises, and private-sector entities without sovereign guarantees. The bank has committed to direct 30 percent of its financing commitments over the strategy period towards non-sovereign operations while ensuring high-quality project preparation and well-managed risk assessments.[22]

Figure 2: NDB Approvals by Type of Operation



Source: New Development Bank, Annual Report 2024[23]

This is similar to the model adopted by the Asian Development Bank (ADB) and the Asian Infrastructure Investment Bank (AIIB), and differs from how the World Bank and the Inter-American Development Bank (IDB) invest in the private sector. The International Finance Corporation (IFC) and IDB Invest (originally set up as the Inter-American Investment Corporation) serve as the exclusive private sector arms of the World Bank and IDB groups, respectively. Lending to private enterprises for developmental purposes supports national priorities, without adding to the debt burdens on the sovereign. This is increasingly driving demand for MDBs' private-sector operations. Bankability concerns therefore become central to attracting both MDB and international private sector investments into domestic non-sovereign guaranteed operations.

Box 2: Bankable Projects Explained

What is a bankable project?

A bankable project is one that can be financed by banks or FIs using sound banking principles. Some projects may not be bankable yet attract philanthropic or donor funding, considering positive externalities such as environmental benefits and social upsides.

Why can't FIs or MDBs specifically adopt a similar approach?

Lenders and investors require projects to be technically feasible and financially viable. Regardless of whether funds are private or public, institutions have a fiduciary responsibility to manage lending or investing operations prudently. This necessitates applying "sound banking principles." NDB's Articles of Agreement explicitly lay out that the "operations of the Bank shall be conducted in accordance with sound banking principles."

What are "sound banking principles"?

The financial system has developed well-established frameworks and protocols to assess adherence to sound banking principles. The overall process is geared to assess a project's viability and the likelihood that the lender will get back its money as per the loan terms. The lender looks at the project's complete life cycle to assess if the project, on completion, will generate sufficient cash to recover loan repayments.

A thorough risk assessment is conducted to identify potential risks, which may derail or delay the project implementation, making it difficult for the project to perform as per original financial models. A project can be considered risky for several reasons. From execution risk perspective, a renewable energy project, for example, can be assessed as risky if the management has no track record in the renewable space, untested technology is being used, capital equipment is being sourced from unknown firms, or contractors hired for executing the project have no or limited experience. From a financial viability lens, a weak equity base, high reliance on debt funding, unhedged FX risk, low or no access to contingency funds in case of cost overshoots, absence of tie-ups with end buyers for assured purchase of energy produced, etc., can increase risk factors.

Risk assessments, however, are not fail-proof as unforeseen events, as well as black swan occurrences, may surface and invalidate project assumptions. Thus, financing institutions may inevitably encounter failed projects. However, bankers mitigate this risk by holding a diversified portfolio of loans (in terms of sectors, geographies and borrowers). For instance, they may set exposure limits on a particular sector such as renewables, and within that include sub limits for windmills or solar parks.

Invariably, investors or lenders will commit capital to a project only if the risk assessments are favourable and indicate that the investments will be repaid with a reasonable return, i.e., project returns are greater than cost of capital. The return expectations may vary depending on the investor's mandate. Private lenders may agree to finance riskier projects at a higher interest rate, considering the higher risk-return trade off.

Implications for MDBs

MDBs are usually unable to finance such risky projects as part of routine operations since their shareholders do not expect them to take on extra risks to enhance returns on capital or jeopardise their credit ratings or, worse, trigger calls on callable capital. Their comparative advantage lies not in absorbing unlimited risk, but in deploying policy-based tools, such as guarantees, concessional tranches, longer tenors, and convening power, to improve project bankability and crowd in private capital. Consequently, MDBs are often viewed as agencies best placed to de-risk private investors in projects exposed to high political and other associated risks.

Source: Authors' own

Chapter 4

The Role of Multilateral Development Banks

4.1 MDBs as Catalysts for Climate and Development Finance

In 2024, MDBs achieved a record US$137 billion in climate finance to drive sustainable development worldwide that delivers on adaptation and mitigation, 10 percent more than the previous year.[24] Of this total, US$85 billion and US$33 billion were directed to low- and middle-income economies, respectively,[25] 14 percent more than last year's records.[26] Private finance mobilisation for climate investments worldwide jumped 33 percent in 2024,[27] reaching US$134 billion.[28] This puts MDBs on track to meet their COP29 financial commitments[29] by providing US$120 billion annually from their own balance sheet and

US$65 billion annually in private capital mobilisation by 2030,[30] in support of climate finance for low- and middle-income countries.

Given the fiscal constraints on developing countries and the growing caution among global private capital towards green investments in EMDCs, the role of public funds and MDBs is critical. MDBs can serve as an effective conduit between the public and private sector, facilitating seamless coordination between the two.

MDBs have the capacity to take greater risks and provide long-term concessional loans (equity or debt financing) at below-commercial market rates. While these banks must manage potential credit losses to protect their external ratings and financial profile, they can deploy a host of financial instruments to incentivise and crowd in private capital in targeted sectors, such as partial or full credit guarantees, blended finance, hedging facilities, political risk insurance, currency swaps, and performance-based guaranteed returns. MDBs do not pay dividends to their shareholders, which makes their cost of equity zero. At the same time, their multi-sovereign parentage helps bolster their external credit ratings. Together, this allows them to fund and support projects that private investors might consider too risky or insufficiently profitable. Moreover, MDBs have the power of leverage: using their paid-in capital base and robust credit ratings, they can raise financing several times their capital base from the market and lend to member countries at below-market interest rates.

The G20 Independent Expert Group (IEG), appointed by the Indian G20 Presidency, underscores the importance of strengthening MDBs to maximise their reach and impact. In its report, *Implementing MDB Reforms: A Stocktake*,[31] the IEG argues for a "better, bolder, and bigger system of multilateral development banks (MDBs) program to help EMDCs improve the investment climate, strengthen project pipeline development, and secure adequate levels of affordable finance. That vision envisaged a transformed MDB system that would lend three times more by 2030 and mobilise five times more private capital through a variety of new instruments and strategies." The report further calls for "establishing a pipeline of high-quality, specific bankable projects, along with confidence that these can be implemented in a timely way. It also requires secure, predictable, and affordable finance to make the investment at reasonable cost." The following year, in 2024, the Brazilian G20 Presidency reiterated and reinforced these recommendations in the October 2024 report, *G20 Roadmap Towards Better, Bigger and More Effective MDBs*.[32]

Box 3: Understanding Blended Finance

What is Blended Finance?

Blended finance acts as a risk mitigation instrument to crowd in commercial funding.[33] It is the combination of concessional and commercial funding in private sector projects with potentially high social externalities, which would not attract funding on strictly commercial terms due to elevated risks. Concessional co-investment typically involves softer financing terms through price, tenor, rank, or security, or a combination of these, to reduce project risk. Another simplified definition is offered by the Convergence Blending Global Finance Network,[34] which describes blended finance as a form of catalytic capital from the public or philanthropic sources to help increase private-sector investment in sustainable development. Blended finance has mobilised approximately US$200 billion to date.[35]

Two of the most credible definitions in the development landscape are given below:

Organisation for Economic Co-operation and Development (OECD)[36]-Development Assistance Committee Definition	International Financial Institution (IFC)[37] Working Group Definition
"The strategic use of development finance for the mobilization of additional finance toward sustainable development in developing countries," with 'additional finance' referring primarily to commercial finance. This definition focuses on the mobilization of commercial finance, which is not currently being directed toward development-related investments, including all official development assistance, foreign direct investments, grants, trust funds, and others."	"Combining concessional finance from donors or third parties alongside DFIs' [development finance institutions'] normal own account finance and/ or commercial finance from other investors, to develop private sector markets, address the Sustainable Development Goals (SDGs), and mobilize private resources. The DFI definition refers to a specific segment of the institution's operations that receives concessional financing as a supplementary element to enhance its potential. Blended finance by the International Finance Corporation (IFC) follows the DFI definition and excludes grants in recognizing concessional co-investment with IFC's own investment."

Source: Authors' own, based on sources from the World Bank, "Findings from a Cluster of Project Performance Assessment Report," 2019;[38] and Convergence, "What is blended finance?"[39]

4.2 Climate Finance Commitments as Reported by the MDBs' 2024 Joint Summary Report

Table 2: Climate Finance Commitments by MDBs

Climate Finance Commitments by MDBs to Low- and Middle-Income Countries	2024 (US$ billion)	2023 (US$ billion)	2022 (US$ billion)	2021 (US$ billion)	2020 (US$ billion)
African Development Bank	5.5	5.8	3.7	2.4	2.1
Asian Development Bank	12.3	10.7	7.1	3.9	5.3
Asian Infrastructure Investment Bank	5.2	3.2	2.3	2.7	1.1
Council of Europe Development Bank	0.019	-	0.3	-	-
European Bank for Reconstruction and Development	8.0	4.6	4.3	4.8	2.3
European Investment Bank	4.5	4.0	4.2	3.4	3.2
Inter-American Development Bank Group	5.5	5.9	5.9	4.8	2.5
Islamic Development Bank	2.3	2.0	1.1	0.7	0.3
New Development Bank	0.5	1.1	0.5	-	-
World Bank Group	41	37.3	31.7	28	21.3

Source: Authors' own; data sourced from Multilateral Development Banks, 2023 and 2024 Joint Summary Report on Multilateral Development Banks' Climate Finance[40,41]

Climate finance commitments over the years have steadily increased since 2020. In 2024, the MDBs listed above committed a total of US$85.120 billion[42] to low- and middle-income economies, and US$51.489 billion to high-income economies. Legacy MDBs, with large stakeholder bases, remain the dominant contributors. The World Bank alone nearly doubled its support from US$21.3 billion in 2020 to US$41 billion in 2024.

The ADB and the European Bank for Reconstruction and Development (EBRD) also exhibit a clear upward trajectory. The relatively newer institutions, such as AIIB and Islamic Development Bank, too, have shown significant growth rate from their smaller bases. The NDB's numbers appear relatively modest, as it focuses on financing a range of climate-positive projects while the table lists only the amounts specifically committed to activities covered under the criteria developed for joint reporting of climate finance data.[43]

As per its 2024 annual report,[44] NDB's climate finance approvals totalled US$2.5 billion, accounting for over 55 percent in total approvals in 2024. Cumulatively, climate finance amounting to US$8.09 billion as at December 2024 comprises 30.8 percent of the loan portfolio, excluding the one-off COVID-19 emergency programme loans. That NDB is a demand-driven institution possibly also reflects the sectoral preferences of its members in its lending operations. The bank's climate finance approvals during 2024 alone are expected to result in reduced CO_2 emissions to the tune of 14.7 million tonnes per year.

4.3 Constraints in MDB Operations

In theory, MDBs can step up to de-risk projects for the private lenders by extending, say, first loss guarantees or other forms of risk mitigation instruments. However, in practice, two key challenges emerge.

1. Credit Ratings Constraint: MDBs are established mainly to leverage the pooled credit strength and joint support of their member countries, enabling them to achieve high credit ratings. This, in turn, allows MDBs to access capital markets at low funding costs and to on-lend such funds to member countries at interest rates lower than those available to individual member countries when directly borrowing from the market. To protect their business model, MDBs must be able to maintain a strong credit rating by ensuring that their underwriting policies and practices are aligned with the best banking practices. Any disconnect—such as excessive risk-taking resulting in higher delinquencies, weak project appraisal, or inadequate capital buffers—is a red flag that can lead to downward rating action, affecting the institution's ability to borrow from the global capital markets at favourable pricing. The Independent Review of MDBs' Capital Adequacy Frameworks under the Italian G20 Presidency in 2021 proposed re-evaluating MDB methodologies used by credit rating agencies across the MDB system by accounting for MDB specific parameters such as callable capital, concentration risk, and preferred creditor treatment,[45] Subsequently, in October 2025, S&P Global Ratings made some important changes to its Multilateral Lending Institutions (MLI) rating methodology, which is expected to be credit rating positive for MDBs,[46] enabling increased lending headroom.

2. Capital Adequacy Constraint: Due to tight fiscal conditions, most members are reluctant to face scenarios that may force an MDB to make demands on the callable capital to address holes in its capital base caused by defaults or bad loans. While some shareholders, in principle, may be willing to inject more equity, this is rarely straightforward: others may be unwilling to dilute their paid-in capital shares, creating potential governance and shareholding structure challenges.

Slippage in loan issuance standards or loosening of loan covenants (general conditions in case of sovereign loans) on a business-as-usual basis is thus not an option. If an MDB ventures into relaxing credit underwriting standards as an explicit policy choice, it may create institutional trouble, affecting capital adequacy, room for leverage, and space for arbitrage. If not promptly course corrected, this can lead to rating downgrades, eventually defeating the core objective of the MDB model.

MDBs' management therefore has to work within the boundaries defined by credit rating discipline and capital adequacy requirements. They must innovate within these constraints to enhance project preparation capacity, deploy blended finance, and leverage partnerships with national development banks as well as global financial institutions and industry players to expand the supply of credible, bankable green projects across low- and middle-income countries. This is both essential and inherently challenging.

4.4 Scaling Non-Sovereign Operations to Crowd in Greater Private Capital

A viable pathway for MDBs to scale their non-sovereign operations is to function increasingly as structuring and risk-anchoring institutions within a broader financial ecosystem, rather than as balance-sheet maximisers. MDBs can originate and structure transactions with robust risk mitigants, appropriate covenant packages, and well-designed safeguard frameworks, while limiting their own funded exposure to a non-dominant tranche of the overall financing.

Under such a model, MDB participation, given the enormous convening power these banks command, would focus on credit enhancement, transaction discipline, and governance anchoring, thereby affording confidence to private lenders and protecting the MDBs' own capital base and risk profile. MDB pricing could be set on a marginal cost-recovery basis, sufficient to cover funding costs, administrative expenses, and a modest risk buffer while also allowing private capital providers to independently determine their own risk-adjusted pricing and return expectations. The resulting blended pricing will benefit the project by lowering costs and ensuring financial closure.

Robust transaction structuring, enforceable covenants, and clearly articulated downside protections—combined with MDB oversight—can materially reduce perceived credit risk and provide confidence to private investors that MDB-supported projects are well-structured, resilient, and subject to disciplined risk management, enabling much stronger private capital flows over time. Over time, MDBs working as catalysts rather than sole or dominant risk carriers can emerge as powerful engines for financing complex and transformational projects.

Chapter 5

The New Development Bank

5.1 Mandate and Strategic Orientation

Aligned with the BRICS countries' own development goals, the NDB was established in 2015 to provide finance and technical assistance to member countries for infrastructure and sustainable development projects.[47] The strategic objective was to bridge the financing gap to achieve SDGs and mobilise funds for BRICS and other EMDCs.

Table 3: NDB Founding, New, and Prospective Members

Founding Member Countries				
Brazil 3 July 2015	Russia 3 July 2015	India 3 July 2015	China 3 July 2015	South Africa 3 July 2015
New Members				
Bangladesh 16 September 2021	United Arab Emirates 4 October 2021	Egypt 20 February 2023	Algeria 19 May 2025	
Prospective Members*				
Uruguay Admitted in 2021 along with Bangladesh, Egypt, and UAE		Uzbekistan 2025	Colombia 2025	

Source: Authors' own, based on New Development Bank, "Members"[48]

** Prospective members listed herein have been admitted by the NDB's board of governors and will officially become a member country once they deposit their instrument of accession.*

The NDB became operational in 2016 once it received the paid-in capital from its five founding member countries. In its first year of operation in 2016, NDB could be described as a "Green Bank" with two-thirds of the loans approved, amounting to US$1,031 million,[49] to support renewable energy generation (solar, wind and hydro) projects. Incidentally, the bank's first annual report was themed "Towards a Greener Tomorrow."

Soon after, in 2018, the Bank received AA+ Credit rating from Fitch and S&P, which allowed it to raise capital in global financial markets. True to its commitment to leverage local currency financing, in 2019 for the first time, the NDB expanded its currency offerings and approved loans denominated in CNY (Chinese Yuan Renminbi) and ZAR (South African Rand), besides USD (United States Dollar), EUR (Euro) and CHF (Swiss Franc).

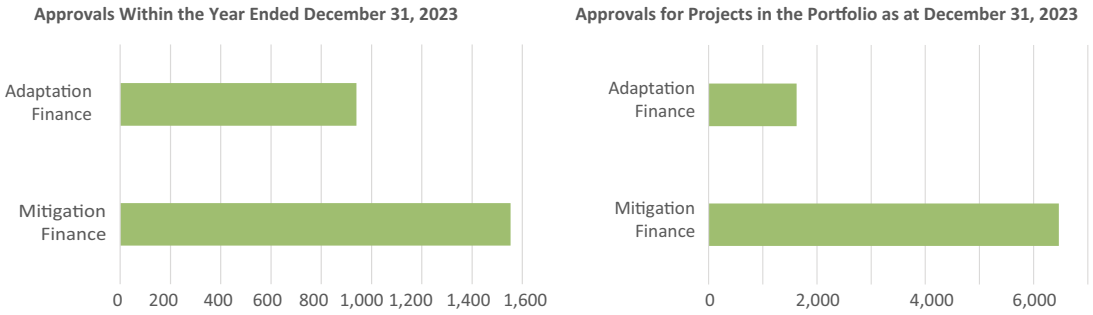
The NDB's "General Strategy for 2022–2026"[50] has made some ambitious commitments, including mobilising resources at scale, financing diversified types of projects, and using sophisticated instruments to maximise impact. The strategy document[51] further strengthens the "green mandate," committing 40 percent of total approvals to projects contributing to climate change mitigation and adaptation, including energy transition, over 2022–2026. Additionally, it commits to providing US$30 billion in total volume of approved financing from its own balance sheet over 2022–2026, extending 30 percent of total financing in local currencies over 2022–2026, providing 30 percent of total financing to non-sovereign operations over 2022–2026, and co-financing 20 percent

of projects (in numbers of projects) with partner MDBs over 2022–2026. Going by the number of loans approved in local currency, esp. in CNY and Rand and other publicly available data, the bank appears on track to achieve its local currency target and nearly half its non-sovereign and co-financing goals. It is expected that NDB will deliver almost fully on its commitment to funnel 40 percent of total approvals to projects contributing to mitigation and adaptation, i.e., climate-positive projects.

The BRICS Leaders' Framework Declaration on Climate Finance,[52] released in July 2025, also draws on the experiences of the BRICS Interbank Cooperation Mechanism, calling on the NDB to foster synergies with existing national development banks on voluntary and country-led basis, support knowledge-sharing on thematic funds, initiate joint project-preparation facilities, and encourage local currency co-financing windows, in a way that is aligned with the bank's mandate.

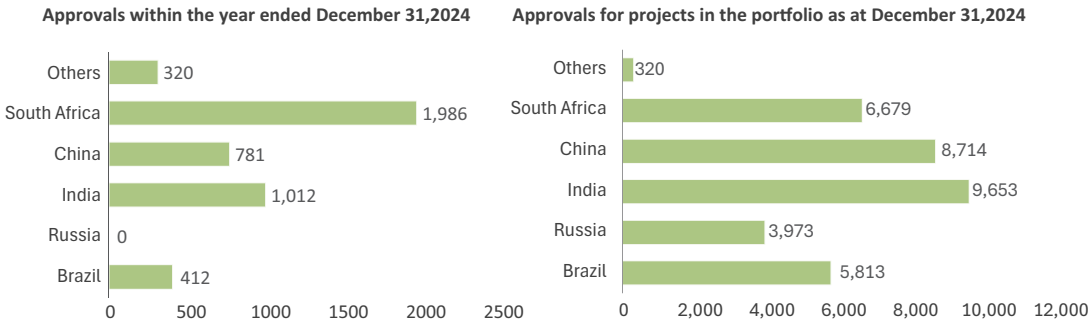
According to its 2024 annual report,[53] as at 31 December 2024, the NDB has approved approximately US$6.5 billion in mitigation finance, and US$1.6 billion in adaptation finance.

Figure 3: Climate Finance Approvals by the NDB



Source: New Development Bank, Annual Report 2024[54]

Figure 4: NDB Approvals by Country



Source: New Development Bank, Annual Report 2024[55]

5.2 Capital Structure and Balance Sheet

According to the Agreement on the NDB,[56] the initial authorised capital of the bank is set at US$100 billion and its subscribed capital is mapped at US$50 billion. The paid-in capital, according to the Agreement, is capped at 20 percent of the subscribed capital, amounting to US$10 billion, all of which has been contributed by the founding BRICS countries, as at 31 December 2020. Each founding member contributed US$2 billion. With the expanding NDB membership (Bangladesh, Egypt, UAE, Algeria), the incremental increase in paid-in capital from the new members amounts to approximately US$661 million (see Table 4).

Table 4: NDB Capital Structure

Type	Definition	Amount - 2020 (US$ billion)	Amount - 2025 (US$ billion)
Authorised Capital	Authorised capital is the maximum amount of share capital a company can legally issue to its shareholders, in terms of its Articles of Association. In the case of MDBs, it is defined in its charter or Articles of Agreement.	100	100
Subscribed Capital	The portion of authorised capital that member countries have agreed to purchase.	50	53.305
Paid-in Capital	The actual cash paid by members towards their subscribed shares.	10	10.661

Type	Definition	Amount - 2020 (US$ billion)	Amount - 2025 (US$ billion)
Callable Capital	The remaining portion of subscribed capital that members commit to provide only if the institution faces financial distress.	40	43

Source: Authors' own; data sourced from NDB Annual Report 2020[57] and Financial Statement, June 2025[58]

Table 5: Shareholding of NDB Members

Members	Shareholding[1]
Brazil	18.76%
Russia	18.76%
India	18.76%
China	18.76%
South Africa	18.76%
Algeria	1.15%
Bangladesh	1.77%
Egypt	2.24%
United Arab Emirates	1.04%
Uruguay	Prospective member[2]
Uzbekistan	Prospective member[2]
Colombia	Prospective member[2]

Source: New Development Bank, Investor Presentation 2025[59]

Notes:

1. Shareholding: Total may not add up as figures are rounded to the nearest second decimal place. As at 30 June 2025.

2. Prospective members listed here have been admitted by the NDB's board of governors and will officially become a member country once they deposit the instrument of accession. As at 30 September 2025.

The NDB derives its funding from two sources: paid-in capital and market borrowings, including green bond proceeds. Since the bank enjoys a high credit rating, it employs the power of leverage: it uses the paid-in capital and retained earnings to leverage a multiplier of its capital base to borrow and raise money in global capital markets as well as local capital markets. The bank does this by complying to financial prudence, hedging

mechanisms and regulatory policies as specified. The paid-in capital is predominantly invested in high-quality liquid assets to maintain an excellent liquidity profile, while the market borrowings are used to lend to member countries at competitive market or below-market rates.

Table 6: NDB Financials (2016-2025)

Year	Number of Project Approved #	Cumulative - Approved Loan Amount (as at 31 December) (US$ million) ~	Specific - Approved Loan Amount (for the specific year- during the year) US$ million #	Balance Sheet: Cumulative Loans and Advances (as at 31 December) (US$ million) (net disbursement = disbursement -repayment) ^	Net Increase in o/standing loans during the year (US$ million) (Net disbursement for the given year)
2016	8	1,544	1,544	0	0
2017	6	3,395	1,851	0	
2018	17	8,092	4,697	0.6	0.6
2019	22	15,284	7,192	1,545	1,544
2020**	19	25,561	10,277	6,612	5,067
2021	10	30,621	5,060	13,965	7,353
2022	14	33,331	2,710	14,405	440
2023	9	35,409	2,078	17,767	3,362
2024	15	39,920	4511	19,518	1,751
2025	14*	42,271	2351	20,557	1,039

Source: Authors' own; data sourced from NDB annual reports

 # as compiled from NDB annual reports for the respective years (except 2025, when the data is the total count of projects and project-specific amounts listed on the bank's website as approved during the year).

~ cumulative total of yearly approvals without adjusting for foreign exchange movements, fully repaid or cancelled loans.

^ compiled from financial statements for the respective years (except 2025 for which September 2025 data has been used)

** Compiled from approved projects listed on NDB website*

*** 2020 disbursements include COVID-19 emergency assistance*

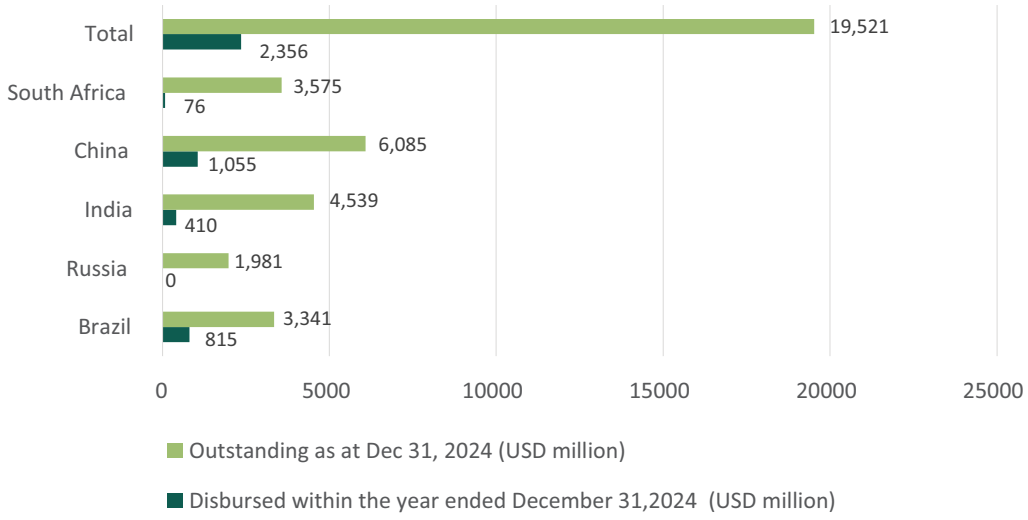
As is common in lending institutions, some approved loans may subsequently get cancelled for various reasons and are periodically removed from the bank's portfolio of approved loans. At times, the data may be affected by full repayments. In addition,

foreign exchange movements influence the value of local currency (non-USD) loans, with revised figures mentioned in subsequent reports. As a result, the data compiled from annual reports for previous years may differ from the number and aggregate value of projects shown in a bank's active portfolio at a more recent point in time

As per its latest Investor Presentation from October 2025, the NDB has approved projects worth over US$39.7 billion as at June 2025, covering 123 projects in member countries.[60] As of end-June 2025, 106 projects remained in the bank's active portfolio, with total financing amounting to more than US$34.9 billion.[61]

The outstanding loan book stands at US$20.5 billion against the total disbursement amount of US$22.4 billion,[62] a disbursement rate of nearly 60 percent. This is a healthy ratio, considering infrastructure projects typically involve multi-year disbursements. Moreover, a material time lag between project approval and the commencement of disbursements is common, particularly for sovereign operations.

Figure 5: Disbursements by Country*



Source: New Development Bank, Annual Report 2024[63]

** The numbers in this chart may not add up precisely due to rounding.*

The volume of approvals could increase significantly with effective mitigation of bankability constraints.

Current project approval and lending trends show that while the number of the projects approved by the institution has fluctuated over time, the cumulative approved loan amount rose steadily from US$1.5 billion in 2016 to over US$39 billion by 2025, reflecting a consistent expansion in mandated financing. The sudden peak from 2019 to 2020 suggests a surge in crisis-related lending during the COVID-19 pandemic, followed

by a measured growth in the successive years. Cumulative loans and advances or net disbursement (= disbursement – repayments) show significant rise over the years exceeding US$20 billion by mid-2025. Overall, the institution's portfolio demonstrates expansion in financial commitments despite year-to-year fluctuations in project counts, driven by a combination of growing mandate, evolving market conditions, and uneven disbursement–repayment dynamics.

Table 7: NDB Key Statistics

Number of Projects Approved (as of 31 December 2024)*	105
Cumulative Approvals (as of 31 December 2024)	US$ 35 billion
Cumulative Climate Finance Approvals (as of 31 December 2024)	US$ 8.1 billion
Share of Climate Finance in NDB's Portfolio**	30.80%
Mitigation Finance within NDB Portfolio	US$ 6.5 billion
Adaptation Finance within NDB Portfolio	US$ 1.6 billion
Approvals within the year 31 December 2024	US$ 4.5 billion
Climate Finance Approvals within the year 2024	US$ 2.5 billion
Share of Climate Finance in Total Approvals in 2024	55.30%

Source: Authors' own, compiled from New Development Bank, Annual Report 2024[64]

**By the end of 2024, NDB had cumulatively approved USD 39.0 billion for 120 projects on a gross basis.*

***COVID-19 emergency programme loans excluded.*

5.3 Loan Portfolio Composition and Sectoral Approval Trends

Table 8: Approved Loan Portfolio by Area of Operation

US$ (cumulative position as of 31 December)	2024	2023	2022	2021	2020	2019	2018	2017
Clean energy	3,303*	2,994*	*3,026**	3,921	3,496	3,519	2,187	1,218
Environmental efficiency	300**	680**	680**	700	900	500	700	200

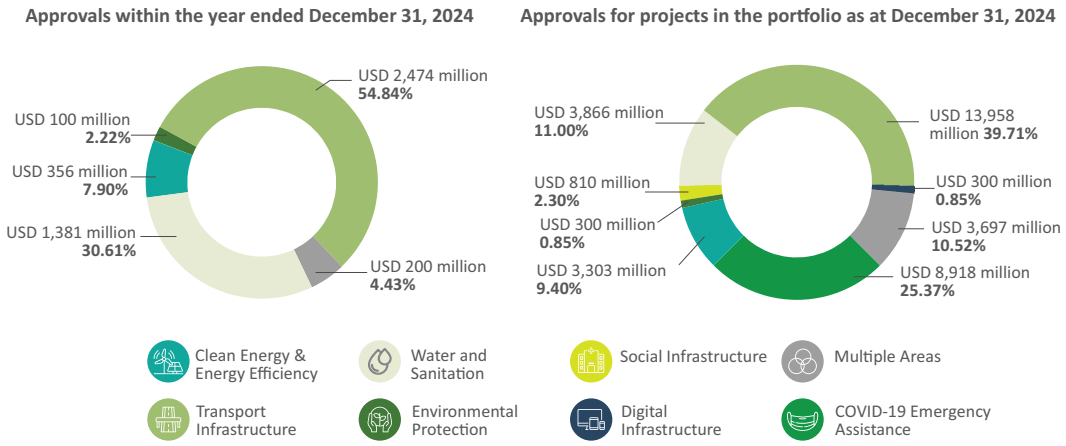
US$ (cumulative position as of 31 December)	2024	2023	2022	2021	2020	2019	2018	2017
Irrigation, Water resource management and Sanitation	3,866	2,902	2,684	1,958	1,891	2,080	1,426	1,122
Social infrastructure	810	810	810	1,010	1,010	960	460	460
Transport infrastructure	13,958	11,672	10,479	6,185	5,736	4,421	2,175	419
Urban development	-	-	-	4,316	3,466	2,653	1,130	-
Multi theme	3,697	3,519	3,235	1,552	1,566	100	-	-
Digital Infrastructure	300	373	300	300	300	-	-	
COVID-19 Emergency Assistance	8,918	8,970	9,016	9, 201	6,070	-	-	

Source: Authors' own, data sourced from NDB annual reports

**includes clean energy and energy efficiency*

***includes environment protection*

Figure 6: Approvals by Area of Operation



Source: New Development Bank, Annual Report 2024[65]

The NDB's project portfolio included projects that are primarily aligned with 11 out of the 17 SDGs, as of 30 June 2025.[66] In its first year of operations in 2016, two-thirds of the loans approved amounting to US$1,031 million were to support renewable energy generation projects across solar, wind, and hydro-electricity.[67]

Loan portfolio approvals from 2017 to 2024 show that transport infrastructure accounts for the lion's share, reflecting sustained investment in mobility and connectivity. Irrigation and water management as well as clean energy projects exhibit persistent demand, while environmental protection and social infrastructure remain relatively stable but low-demand sectors. The COVID-19 emergency assistance category represents a temporary surge from 2020 to 2022, showing high, urgent financing needs during the pandemic before tapering off.

Chapter 6

The NDB's Role in Strengthening Bankability and Financial Flows

Scaling green capital in emerging economies requires not only capital availability but also a steady flow of bankable and investment-ready projects capable of attracting public, private and blended sources of financing. In some sense, bankable green projects are a precursor to increasing financial flows to emerging economies. Even well-capitalised institutions often remain underutilised with low lending approvals and sluggish disbursement ratios for want of a credible pipeline of investible projects.

Project bankability is shaped by risk assessment and financing frameworks, that require projects to avoid "weak links" or significant "risk factors" across the entire loan and project life cycle. Financial, technical,

regulatory or execution-related structural weaknesses can create vulnerabilities, inevitable delays, derailment in project execution, cost overruns, or impaired repayment prospects. A lenders' business model depends on recycling funds. On-schedule repayment of principal and interest obligations by the borrowers is necessary for FIs to sustain repayments to their own sources of funding in the capital markets and retain uninterrupted access at the best possible rates aligned with their own credit ratings. Their ability to absorb unexpected shortfalls in repayments and extended timing mismatches is therefore inherently limited.

These constraints are even more acute for MDBs. Unlike commercial banks, MDBs do not accept retail customer deposits, nor can they borrow from central banks for liquidity in times of contingencies. Additionally, MDBs generally lend for longer terms while relying on short-term fundings to optimise cost advantages. As a result, they cannot rely on repayments in case of any major stress, making them structurally and primarily dependent on capital markets, investor confidence and their own credit ratings. Any shock that disrupts their liquidity or impairs asset quality will adversely affect MDBs' ability to mobilise and lend further. Protecting the integrity of their balance sheet is therefore complementary to sustaining their development mandate.

However, the MDBs can safeguard their business model and maintain financial prudence while leveraging their convening power, technical expertise and financial resources to play a catalytic role in supporting a build-out of bankable projects in emerging economies. Against this backdrop, MDBs, particularly the NDB, can support across three interrelated dimensions: informing project preparation, de-risking execution, and accelerating disbursements.

6.1 Informing Project Preparation

Before approving project loans, financial institutions make detailed assessments to determine whether a project can be executed successfully, generate expected revenues and result in sufficient cash flows to cover the operating and debt service obligations (repayment of loan instalments with interest). Borrowers must provide the information required to support such assessments, making the project preparation phase crucial. Yet, this phase remains one of the biggest bottlenecks in the delivery of green infrastructure projects in emerging markets.

Project preparation can be classified into two categories: technical and financial. The technical component involves understanding the sectoral context, selecting appropriate technologies, navigating regulatory approval requirements and land allocation procedures, assessing local supply chains, availability of capital equipment and skilled workforce, and contracting arrangements for project execution. It often also includes

evaluating potential "offtake" arrangements with buyers of the project's output. Many projects fail due diligence because the technical assessments are weak and based on faulty assumption. For instance, a renewable energy proposal may underestimate transmission needs, or a hydrogen plant may fail to account for water and logistics requirement. Without sound technical assessment, financial assessments become flawed and may not hold the test of diligence procedures. Once the technical assessment is complete and all the relevant data points have been collected from the market, the financial assessment begins.

Finance experts build a financial model, including the proposed capital requirements, cost estimates, cash flow projections, debt-equity modelling, expected annual operating expenses, and projected net revenues. If the model is based on unrealistic assumptions, it will break down when the rubber hits the road, i.e., when subjected to validation or stress tests by MDBs or commercial lenders.

As structural weaknesses can render projects un-bankable, credible financial structuring is a critical skill necessary to build bankable projects. MDBs possess significant experience in both technical and financial aspects of project preparation and can play a catalytic role in transforming early-stage concepts into well-prepared and investment-ready proposals.

6.2 De-risking Project Execution

Even when projects are well prepared, execution risk remains a major concern, particularly for private-sector investors, when it comes to greenfield projects or ventures based on unproven innovative technologies. Here, MDBs, backed by multi-sovereign, can act as risk absorbers, transferring part of the execution risk from private sector to public institutions. For such arrangements to work, MDBs must size up the execution risk first. This entails a detailed review and validation of parameters, such as the project sponsors' track record and operating profiles, structure of the SPV, stake of joint venture partners, status of regulatory approvals, the profile of the management, information about the technology deployed, track record of contractors, regulatory approvals required, technical certifications needed, sourcing arrangements, market standing of the capital goods suppliers, profile of turn-key contractors, nature of purchase agreements and other logistics arrangements. Land acquisition remains one of the most challenging and politically sensitive aspects of execution.

Faulty project design or weak execution and management capabilities frequently cause projects to unravel during execution phase. This is why lenders expect project proposals to provide full visibility into the project life cycle. The NDB, with its privileged access

to governments as a MDB, is uniquely positioned to mitigate these risks by providing oversight where required and offering risk-sharing mechanisms that allow private capital participation to be feasible.

6.3 Accelerating Project Disbursements

Between loan approval and initial disbursement, the first major bottleneck typically arises during loan documentation and the fulfilment of conditions precedent, a process that is often protracted. In the case of sovereign or sovereign-guaranteed loans, the parliamentary procedures in the recipient countries concerned can go on for months, if not years. A second set of potential hurdles relates to land allocation and regulatory approvals. Procurement challenges, sourcing of capital goods and mobilisation of skilled labour can further hinder disbursement.

Finally, borrower incentives affect disbursement timing. Since interest accrues on disbursed amounts, borrowers may delay drawdowns when projects are not fully ready for implementation. While such behaviour is economically sound from the borrower's perspective, it contributes to low disbursement ratios.

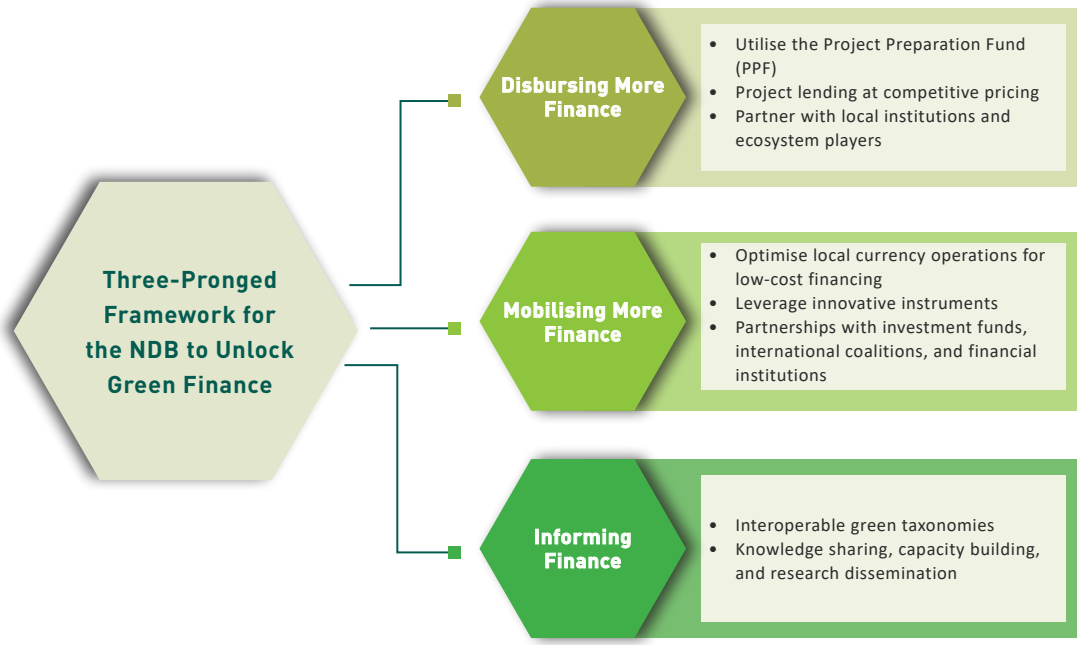
Addressing these challenges requires enhanced support for borrower systems, streamlined internal procedures within banks, and proactive engagement to expedite the transition from approval to implementation.

Chapter 7

A Three-Pronged Framework for the NDB to Unlock Green Finance

As a demand-driven organisation, the NDB cannot play its role effectively without a steady pipeline of bankable and investible projects. However, it can strengthen efforts to generate this demand. This report proposes a three-pronged framework to disburse more financing, mobilise more financing, and inform better financing, which will reinforce the NDB's role as a catalytic enabler of green capital in emerging economies.

Figure 7: Three-Pronged Framework for the NDB as a Green Capital Catalyst



Source: Authors' own

7.1 Disbursing More Finance

This section pertains to mechanisms that can allow the NDB to leverage its existing resources for disbursing more finance.

7.1.1. Utilise the Project Preparation Fund (PPF)

Table 9: PPF Resources

	2020	2024
Equity (in million)	7	9
Retained Earnings	0.283	1.312
Placement of deposits in banks (Fixed Deposits/ Cash or Cash Equivalents)	7.322	10.328

Source: Authors' own; data compiled from 2024 and 2020 NDB PPF financial statements[68,69]

The NDB Project Preparation Fund (NDB-PPF) was set up in 2017 to provide technical assistance to its borrowing members for project preparation. To date, the NDB-PPF has received a total of US$9 million in commitments from China (US$4 million), South

Africa (US$2 million) and Russia and India (US$1.5 million each). In 2022, the eligibility criteria were expanded to include sub-national governments as eligible recipients, with a view to making the fund a more effective vehicle for delivering well-prepared infrastructure and sustainable development projects at the local level. In 2024, the NDB-PPF Guideline was amended to allow grants to be used for preparing projects and programmes financed without sovereign guarantee, including PPPs, as well as for project implementation.

According to the NDB's 2024 annual report, all commitments to the NDB-PPF had been fully contributed by the donors. Table 9 shows the Bank's PPF has additional resources by way of retained earnings of US$ 1.312 million, derived from interest earned from deployment in bank deposits. In 2024, the bank approved its first-ever PPF grant towards a technical assistance facility of US$252,300, to support the preparation of a town water supply augmentation project in India. As per the bank's latest annual report, the facility will be used primarily to fund the development of a detailed report for the proposed project, which in turn will enable potential financiers to assess the project's feasibility and to consider investing in it.

To add momentum and build on its first milestone approval under PPF, the bank can consider allocating, in alignment with its General Strategy, 40 percent of the fund amount to climate mitigation and adaptation project preparation and pipeline development. Additionally, the NDB can consider generating new ideas in partnership with member countries for impactful uses of the PPF resources. For example, partnering with national agencies such as Masdar, the Future Energy Company, in the UAE can be a win-win to ensure effective use of funds in supporting project preparation in member countries.

7.1.2. Project Lending at Competitive Pricing

Table 10: NDB's Credit Ratings (as of October 2025)

Credit Rating Agency	Credit Rating	Outlook
S&P Global Ratings	AA+ (Long-term issuer credit rating)	Stable
Fitch Ratings	AA (Long-term issuer default rating)	Stable
Japan Credit Rating Agency	AAA (Long-term issuer rating)	Stable

Source: New Development Bank, Investor Presentation 2025[70]

Table 11: Variable Spread Loan Pricing for Sovereign Guaranteed Loans Denominated in US$

SOFR + Variable Spread (as of 1 January 2024)							
Benchmark	SOFR						
Average Repayment Maturity	Up to 5 years	> 5–8 years	> 8–10 years	> 10–12 years	> 12–15 years	> 15–18 years	> 18–19 years
Contractual Lending Spread	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Maturity Premium	0.00%	0.00%	0.05%	0.10%	0.20%	0.30%	0.35%
Actual Cost of Funds over Benchmark Rate	0.75755%	0.75755%	0.75755%	0.75755%	0.75755%	0.75755%	0.75755%
Lending Spread	1.25755%	1.25755%	1.30755%	1.35755%	1.45755%	1.55755 %	1.60755%

Source: New Development Bank, Sovereign Guaranteed Loan Pricing[71]

The NDB's operating model is underpinned by a strong credit profile, which allows it to raise funds in the global capital markets at competitive terms and pass on the benefits to its clients. Thus, a second lever to encourage disbursement lies in making the NDB more cost competitive. While the bank enjoys AA+ ratings from global credit rating agencies, its sovereign loans with spreads may discourage borrower incentives (see Table 11; although the pricing components might have undergone changes since January 2024, the table provides a sense of how NDB calibrates its spreads).

NDB operates as a lean and agile institution with low operating and staff costs. This provides sufficient profit-and-loss flexibility to utilise its profits to bring down the lending spreads and position itself closer to AAA-rated lenders. The bank's headroom to leverage its capital base to borrow from the market and lend also gives it significant arbitrage income, in addition to interest on investments made out of members' capital contribution.

There is clear precedent for this approach. During its early years, the ADB used its profits to make lending cheaper.[72] Building on the NDB's 2016 precedent of approving one renewable energy project from each member country, the bank can consider financing green projects in all member countries every year. To generate demand, the NDB can allocate funds from its profits to reduce contractual spread from 50 bps to, say, 10-20 bps for national priority segments identified by members. It can also further waive the 25-basis-point transaction fee for selected strategic sectors. The NDB's retained earnings as at September 2025 amounted to US$2,132 million, providing adequate buffer to support such targeted pricing incentives for sovereign borrowers.

As a digitally enabled, 21st-century institution with streamlined processes and low operating costs, NDB need not replicate the legacy models of older institutions. Instead, it can leverage its capital and operational efficiency to innovate on pricing, generate demand, and reinforce its reputation as a lean, innovative, and development-oriented MDB while maintaining financial prudence.

BOX 4: Credit Rating: A Lever to Lower Funding Costs

A central strategic lever available to the NDB over the medium term is to design and execute a work programme towards attaining and sustaining AAA ratings. This will allow it to operate with lower funding costs and greater leverage efficiency within the current rating-constrained capital frameworks. Members will benefit from reduced lending margins, longer maturity, and scaled-up financing flows that the bank can consequently offer. For the bank, a AAA rating means the ability to mobilise more, expand developmental impact, deliver financing through economic cycles, and further strengthen its own policy relevance.

7.1.3. Partner with Local Institutions and Ecosystem Players

Accelerating disbursements requires deep structural collaboration with regional and national development banks. The current NDB strategy commits to co-finance 20 percent of projects with partner MDBs by 2026. Beyond this, synergetic collaboration between the NDB and national development banks from BRICS countries, such as Brazil's National Development Bank (BNDES); India's SIDBI (Small Industries Development Bank of India), EXIM (Export-Import Bank of India), and NABFID; and similar institutions in China, South Africa, and Russia, can provide access to a broader range of small and medium-scale projects. They can also tie up with specialised agencies and institutions (e.g., SECI in India, UAE Future Energy Company, State Grid in China),

for handholding project preparation in member countries. These institutions have deep domain expertise, strong local networks, and close relationships with public and private actors in their countries of operation. This empowers them to select investment projects that combine positive climate impacts with economic growth and livelihood benefits in a way that best suits the local context.

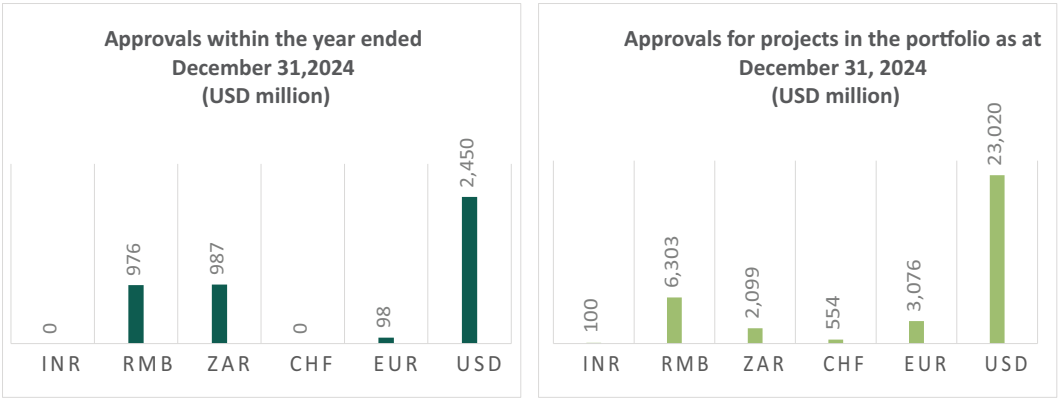
The Triple Agenda report, referenced earlier, also underscores the importance of joint financing and risk-sharing among MDBs and regional banks to improve the ecosystem of project pipeline development, regulatory and institutional reform, and information exchange. Coordination with national development banks and private banks for blended finance can be transformational in funnelling capital to grassroots projects that an MDB may not have visibility on. Such an approach is well aligned with NDB's mandate and General Strategy.

7.2 Mobilising More Finance

This section pertains to how the NDB can leverage its existing resources to mobilise more finance. Due to limiting capital constraints, the capital base can be potentially used more innovatively to create a stronger multiplier effect and mobilise greater resources for investments in member countries.

7.2.1. Optimise Local Currency Operations for Low-Cost Financing

Figure 8: Approval by Currency



Source: New Development Bank, Annual Report 2024[73]

Local currency (LC) lending is crucial for mitigating foreign exchange risk. It helps borrowing countries reduce vulnerability to depreciation-induced stress on repayment capacity and strengthens their creditworthiness by keeping the foreign currency debt manageable. Empirical evidence[74] shows that defaults on LC debt are less frequent

than on foreign currency (FC) debt; for sovereign borrowers, LC sovereign ratings often match or exceed FC ratings. The NDB General Strategy document aligns with this objective, committing to extend 30 percent of total financing in local currencies over the 2022–2026 period to insulate borrowers from currency volatility.

The NDB has raised about one-third of its US$11 billion[75] bond issues in local currencies, primarily the Chinese yuan and South African rand, with plans to expand into other member currencies. It is committed to exploring further debt issuance opportunities in the green bond market of member countries and has plans to issue its first Indian rupee-denominated bond in the domestic market before end-March 2026,[76] with an initial tranche of US$400–500 million through 3-5 year bonds.[77] Issuing bonds in the Indian market will enable the bank to provide local currency finance for Indian projects and add to the liquidity and diversity of the local bond market, allowing for better price discovery.[78]

Beyond direct local issuance, NDB can deploy a range of complementary funding strategies, including currency swaps (for example, USD–INR), cross-currency bilateral borrowing, and co-lending arrangements, in various combinations to optimise pricing, tenor, and market access. It may use a diversified portfolio of funding instruments in local currencies of member countries, as well as other currencies based on the parameters of its loan portfolio and demand from its borrowers and investors. The bank's fundraising activities in the global and local capital markets of member countries are guided by internal policies and supported by necessary hedging mechanisms to manage risks.

7.2.2. Leverage Innovative Instruments

The NDB General Strategy commits to scaling up the bank's mobilisation capacity through the use of diversified and more sophisticated financial instruments, the establishment of special investment vehicles, and the provision of technical assistance to support project-readiness. This toolkit allows it to optimise its balance sheets and capital resources by leveraging instruments such as green guarantees, hybrid capital, securitisation, risk transfers, credit risk insurance, equity participation, blended finance, thematic bond issuances, green bonds, sustainability bonds, insurance and hedging mechanisms – to mobilise additional resources and capital for green projects in emerging economies.

For instance, a country may be reluctant to issue sovereign guarantees for multiple projects due to concerns about fiscal exposure and potential implications for sovereign credit ratings. This can constrain the availability of credit enhancement and limit private

participation. In this context, the NDB can provide a supra-sovereign guarantee, which can be transformational in crowding in private capital in these emerging countries.

MDBs have long been active in the GSS+ (green, social, sustainable and sustainability-linked) bond markets. The first two green bonds were issued by the European Investment Bank in 2007 and the World Bank in 2008.[79] Today, the World Bank labels all its bonds as sustainable. The NDB's own inaugural issuance followed this trajectory, with a RMB 3 billion, five-year green financial bond issued in the China Interbank Bond Market.[80]

Looking ahead, continued alignment between rating methodologies and the evolving financial strategies of the MDBs will be important to utilise the instruments and enable the NDB to participate more flexibly in complex projects and reduce the structural risks that inhibit private lenders.

7.2.3. Partnerships with Investment Funds, International Coalitions and Financial Institutions

To scale up financing, the NDB can explore partnerships for co-investing in member countries. Below are a few illustrative models.

a. **NDB and Alterra Fund**

The NDB debt can be combined with equity investments from funds such as the UAE-based Alterra, promoting actionable investments through co-development and joint financing structures. Both the Alterra and NDB have a shared objective of reducing risk for other investors in emerging and developing economies. The Alterra Fund, which was set up by the UAE during COP28, is a US$30 billion fund with the explicit goal of mobilising US$250 billion in climate investments by 2030 using the base capital and creating a multiplier effect to attract a much larger pool of private and institutional investment for global climate action.

The duo may also explore trilateral arrangements with emerging investment funds set up within the broader NDB's membership over time. For instance, in India, a partnership between NDB, Alterra, and National Investment and Infrastructure Fund (NIIF) can be transformational in supporting large-ticket greenfield projects in the country.

b. **NDB and Sovereign Wealth Funds (SWFs)**

SWFs from countries such as the UAE and Saudi Arabia can play a catalytic role in co-investing and scaling regional green finance mechanisms particularly in Africa and Asia. For SWFs, co-investment with NDB provides access to a pipeline of well-prepared,

development-aligned green projects that are supported by thorough risk assessment and due diligence protocols. The NDB's participation helps de-risk investments through preferred creditor status, longer tenors, and structured financing. In turn, such a partnership will provide the NDB with access to patient capital and allow it to expand its operations without over-stretching its own capital. Moreover, this model can help scale non-sovereign lending and crowd in more private capital, as SWFs and NDB can complement by contributing equity and debt, respectively.

c. **With International Coalitions**

To strengthen its technical and institutional outreach, the NDB can partner with initiatives such as Atoms4Climate, the International Solar Alliance, and the Coalition for Disaster Resilient Infrastructure. Such collaborations will allow the bank to deepen its engagement across thematic tracks while aligning its portfolio with evolving global public goods agenda.

d. **With International Financial Institutions**

The NDB can explore collaborations with global players in the banking and private equity arena. This has the potential to bring in access to end investors and expertise to structure deals that make it easier to mobilise financing for private sector projects. For instance, the World Bank set up the Private Sector Investment Lab, a collaboration between the World Bank Group and CEOs of leading global private-sector institutions, for the purpose of developing strategies to mobilise private capital in emerging markets by a) mitigating risk for investors, and b) supporting the development of bankable projects.[81] The Lab is responsible for producing many successful programmes, including the Renewable Energy Access Programme and Unified Guarantee Programme; deploying more equity and junior capital; developing new concessional funding programmes; pioneering capital markets transactions; mitigating foreign exchange risk; and more.[82]

7.3 Informing Finance

This section explores how the NDB can help shape standards, institutional capacities and knowledge systems across member countries, reducing uncertainty and encouraging investment. This dimension is often overlooked but is crucial in building financial ecosystems in member countries so they can absorb large volumes of green capital.

7.3.1. Interoperable Green Taxonomies

A BRICS-aligned green taxonomy can help standardise what qualifies as a "green" investment across member countries, reducing risk perception for investors and

enhancing capital mobilisation. Developing a regionally relevant and interoperable green taxonomy will enhance transparency and align financial flows with sustainable objectives of the BRICS countries.

At present, member countries are at varying stages of taxonomy development. India, for instance, is in the process of developing its national taxonomy, while others remain at different stages of design and implementation.

The NDB can support this agenda by building technical capacity and using its convening capacity to facilitate the development and broader harmonisation of green taxonomy principles and standards to the extent feasible. This will ensure a consistent classification system, greater clarity, and reduce transaction costs.

7.3.2. Knowledge Sharing, Capacity Building, and Research Dissemination

The NDB can strengthen the member-country capacity by facilitating the exchange of technical and sectoral best practices. Collectively, NDB countries contain a plethora of specialised knowledge, for instance, India in solar energy and Brazil in bioenergy innovation. Harnessing this diversity in a structured manner can significantly improve project quality and bankability across the membership.

To this end, the NDB can develop a "Knowledge Sharing Unit" to work with think tanks and local institutions and develop relevant well-researched content for sharing and dissemination. The unit could publish anonymised project insights based on granular analytics – whether in-house or outsourced – covering data points such as technologies used, consultants hired, sources of procurement, and other relevant details to disseminate practical knowledge and guide potential borrowers. It may also be useful to map and track sectoral regulatory processes and requirement in all member countries and recommend process upgrade based on practical insights and membership-wide best practices. This approach aligns with the bank's Independent Evaluation Office findings,[83] which underscore the importance of non-lending activities, including technical assistance, capacity building, partnerships and knowledge-sharing.

Building on this foundation, the NDB can develop a centre of excellence as a platform for collaborative R&D, pilot projects, and regional demonstration hubs. It may further explore partnerships with reputed institutions to provide capacity building support, as outsourcing this will keep staff expenses to a minimum and be more economical than building capacities in-house.

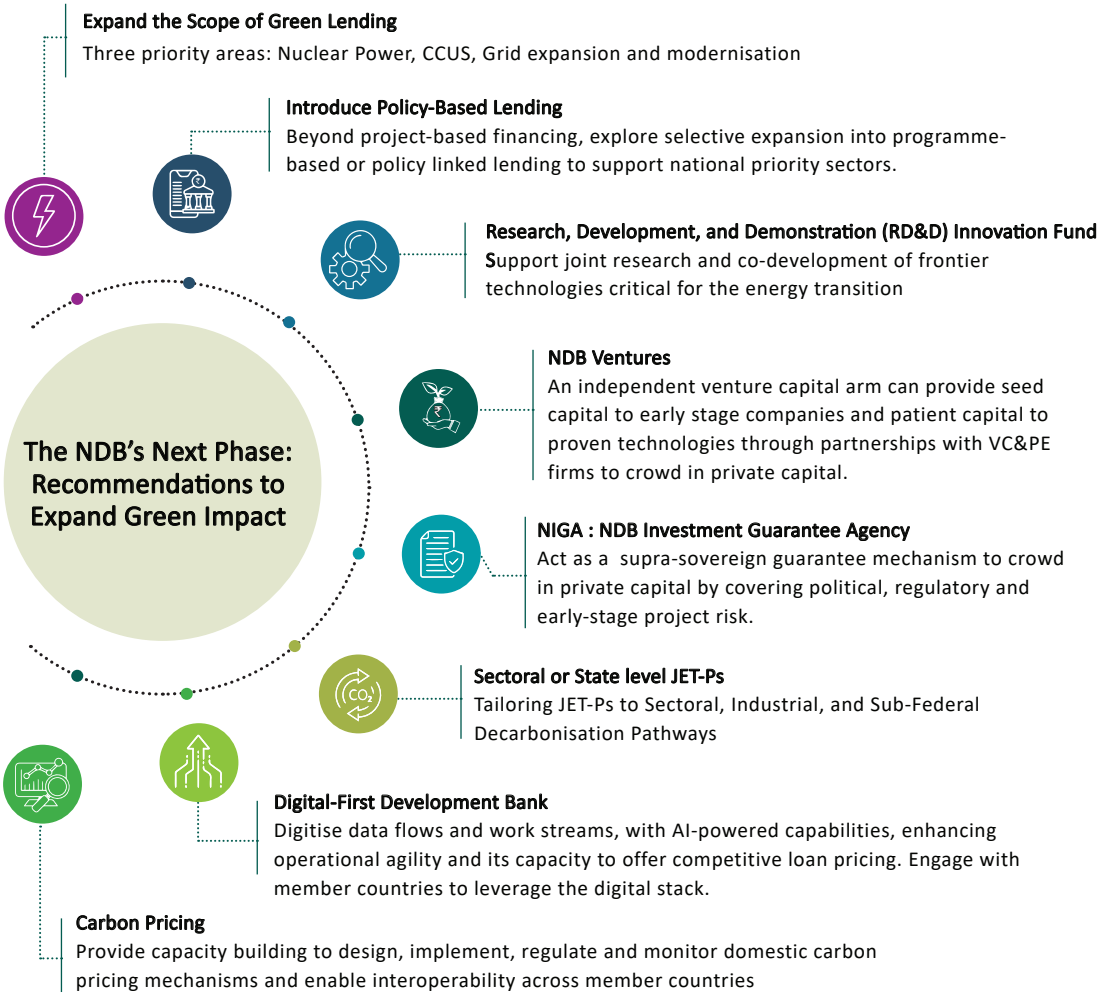
Finally, the NDB may also explore structured institutional partnerships with corporate entities possessing deep executional expertise in priority sectors, such as NTPC, Power Grid Corporation of India, State Grid of China, and Masdar in the UAE. Such partnerships can support project development and provide project-level oversight, technical support, and implementation capacity on a fee-based model, supported where appropriate through the strategic allocation of a portion of NDB's retained earnings.

Chapter 8

The NDB's Next Phase: Recommendations to Expand its Green Impact

The NDB's track record as a green, sustainable lender over the first decade of its operations is well-established. Its lending operations are aligned with global and national priorities on energy and climate action, necessary for sustainable development of the member countries. The recommendations below will help strengthen and further expand the bank's green impact. These suggestions outline potential strategic shifts in the bank's operating mandate, which can enhance its catalytic role in addressing pressing global climate and development imperatives.

Figure 9: The NDB's Next Phase: Recommendations to Expand Green Impact



Source: Authors' own

8.1 Expand the Scope of Green Lending

The NDB can expand the supply of bankable green projects. Doing so will require a calibrated expansion in the scope of its green lending. This paper identifies three priority areas that can deliver substantial impact.

a) Nuclear Power: Nuclear energy is witnessing a renewed policy and investment focus, driven by the surging energy demands, particularly from increasing use of artificial intelligence. The private sector and international financial institutions alike have joined the trend, for instance with Microsoft[84] joining the World Nuclear Association and the World Bank's[85] revocation of the moratorium on underwriting nuclear-energy

projects. The ADB[86] has also revised its energy policy, signing an agreement with the International Atomic Energy Agency (IAEA) to support and finance nuclear energy projects in member countries. At such a time, when uninterrupted access to affordable energy, i.e., energy security, has become non-negotiable, the NDB should consider expanding its green lending criteria to include nuclear energy. Advances in reactor and fuel technologies, including small modular reactors, make nuclear power a compelling option for countries seeking to generate clean baseload power. Such expansion will also align with member countries' policies. For instance, India recently opened up its nuclear sector to investments from the private sector, with the Parliament passing the landmark Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Bill, 2025.[87]

b) CCUS rollout: The NDB should consider financing technologies such as Carbon Capture Utilisation and Storage (CCUS) to help reduce the use of unabated coal. For instance, it might make sense to finance the installation of equipment for capturing carbon at source. A case in point is the Taizhou coal-fired power plant[88] in China, which alone can capture half a million tonne of carbon dioxide emissions annually. Zhejiang Ninghai Power Plant[89] is another example: it uses 10,000-tonne low-pressure adsorption-based carbon capture in the coal-fired power plant. These newer technologies to capture CO_2 have demonstrated technological feasibility and highlight the potential for large-scale emissions reductions. Financing carbon capture at scale will power innovation, lower deployment costs, and accelerate decarbonisation of the thermal power sector. Since coal continues to power one-third[90] of the global electricity generation, financing pragmatic decarbonisation strategies is both realistic and necessary.

c) Grid expansion and modernisation: Financing electricity grid expansion and modernisation is emerging as an urgent priority. As renewable energy deployment accelerates and energy demand surges, existing grid capacity will prove to be inadequate. Therefore, investments are needed in not only transmission and distribution networks, but also in upgrading grid capacity, resilience, and operational flexibility. Key investment needs include large-scale and distributed energy storage systems, grid-strengthening and capacity upgrades, advanced stability and balancing mechanisms, and digital solutions such as smart grids and real-time monitoring systems. Grid investments are capital-intensive, long-gestation, and often generate regulated or indirect revenue streams, making them less attractive to private investors without risk-sharing mechanisms. This underscores the need for concessional finance, blended structures, and MDB-led interventions to lower the cost of capital, crowd in private investment, and ensure that grid infrastructure evolves in step with clean energy deployment. If member countries prefer, NDB could consider dedicating a specific year for special focus on financing grid expansion and upgrades, with interest and upfront fees concessions.

8.2 Introduce Policy-Based Lending

Project-based financing is a core pillar of NDB's operational framework. Going forward, the bank may consider exploring selective expansion into programme-based or policy linked lending to support national priority sectors. A defined proportion of the bank's overall portfolio can be allocated for such lending. This approach can also help even out approvals in situations where the pipeline of bankable projects in preferred sectors is insufficient.

Programmatic lending of this nature is at times criticised on the grounds that resources may be absorbed into recurrent or operating expenditures, potentially diluting measurable project-level development impact while contributing to higher public debt burdens. However, in the specific institutional context of the NDB, this critique warrants a more nuanced assessment.

As a bank owned largely by its borrowing members, NDB may reasonably rely on the policy judgement, fiscal frameworks, and macroeconomic stewardship of its shareholder governments when determining the optimal allocation of such funds within national development strategies. Such programme-based support can complement project lending, while remaining consistent with the bank's development mandate and financial sustainability objectives. From a sovereign balance-sheet perspective, NDB financing may substitute for alternative domestic or international market borrowings, on more favourable terms. From an internal risk lens, the programme can be anchored by prudent exposure limits, robust macro-fiscal assessments, and clear eligibility criteria, aligned with the Joint MDB Methodological Principles for Policy-Based Lending Operations.

8.3 Research, Development, and Demonstration (RD&D) Innovation Fund

The NDB's Articles of Agreement permits creation of new funds as and when necessary. The technology transfer from the Global North to the Global South has, in practice, remained limited and uneven. In this context, a dedicated Research, Development, and Demonstration (RD&D) Innovation Fund focused on frontier technologies could play a catalytic role in advancing the development, deployment, and commercialisation of emerging solutions in developing economies. A dedicated RD&D fund would therefore support joint research and co-development of technologies critical for the energy transition, including battery energy storage systems, carbon capture technology, small modular reactors, sodium-ion batteries, critical minerals processing and other emerging technologies. Shared intellectual property, collaborative research and demonstration projects can help member countries reduce costs, build technical expertise and

accelerate deployment. Indeed, such a fund could be a precursor to the launch of an 'NDB Ventures' dedicated to financing innovative startups.

8.4 NDB Ventures

An independent venture capital arm—NDB Ventures—can provide seed capital to early stage companies and patient capital to proven technologies. It could deploy catalytic capital to de-risk and scale innovative business models, crowding in private capital through partnerships with Venture Capital and Private Equity (VC&PE) firms with a focus on clean energy, sustainable mobility, sustainable agriculture, and inclusive fintech solutions in EMDCs. The proposed structure will be comparable to that of ADB Ventures, while being tailored to NDBs unique shareholder and green finance priorities.

8.5 NIGA: NDB Investment Guarantee Agency

Many emerging economies struggle to provide sovereign guarantees for infrastructure projects due to fiscal limitations. The NDB Investment Guarantee Agency (NIGA) can act as a supra-sovereign guarantee mechanism housed within the NDB, helping crowd in private capital by covering political, regulatory and early-stage project risk. Aligned with the NDB's developmental and green lending mandate, there is likely to be strong demand for such a guarantee mechanism among member countries and private investors alike. Climate-linked guarantees can be very useful in reducing the cost of commercial loan or bond. Modelled on World Bank's Multilateral Investment Guarantee Agency (MIGA), or a variation of it, NIGA can significantly expand the investible scope by improving investor perceptions and facilitating finance structures that would otherwise be unviable.

8.6 Sectoral or State-Level Just Energy Transition Partnerships

The Just Energy Transition Partnerships (JETPs) proposed for Indonesia, Vietnam and South-Africa have largely been framed around complete phase-out of coal without sufficient thought to the contextual milieu and ecosystem challenges. As a result, it has faced significant criticism for huge funding gaps, debt trap risks, slow disbursement, lack of local community participation, over-reliance on private sector, among other reasons.

A more pragmatic approach towards decarbonisation would be to narrow the scope and focus on a particular sector—for instance power, transport, agriculture, or specific industries such as fertilisers, cement, steel, chemicals, and textiles—depending on the member countries national decarbonisation priorities and pathways. Such a bespoke and contextualised approach will align more closely with emerging economy priorities

and differential transition trajectories. The NDB may consider collaboration with other MDBs and bilateral donors where possible, to mobilise financing for this endeavour. Furthermore, the NDB may also consider engaging with sub-federal governments to support domestic and local priorities. For instance, in India several states are taking the lead on energy transition. Supporting such state-level efforts in coordination with the central authorities can serve as exemplary pilots and case studies inspiring other states to follow. This has the potential to truly emerge as a Global South iteration of the JETPs.

8.7 Digital-First Development Bank

Information Technology (IT) will be central to the NDB's evolution as a next generation MDB. The bank's current General Strategy notes that NDB's IT infrastructure is cloud-based. That imparts the bank immense flexibility to transform itself into a New Age Bank and deliver development banking in non-legacy ways. This will require the bank to re-imagine its internal processes, re-design external interfaces, and fully digitise the underlying data flows and work streams – with AI-powered capabilities.

The NDB's membership includes countries with globally recognised expertise in process mapping, optimisation, data analytics, Information Technology, and AI. Leveraging this expertise pool can help the bank build competencies and competitive strengths befitting a truly "Digital First" MDB. Gaining digital leadership can reduce costs, enhance operational agility, curtail project processing time, and turn the bank greener internally as well as in its external interfaces, enhancing its capacity to offer competitive loan pricing.

At the same time, the NDB can explore strategic collaboration with member countries for its operations in the digital infrastructure space, already a focus area under the current General Strategy. For instance, India's work on creating digital public infrastructure (DPI), including interoperable payment systems at scale, is globally recognised. Its experience demonstrates how public digital stacks can reduce transaction costs, improve transparency, and expand financial inclusion and outreach. Adapting and scaling such low-cost interoperable digital systems across NDB member countries could support the bank's forays into digital public infrastructure.

8.8 Carbon Pricing

Across both mitigation and adaption, internalising the price of carbon is considered the most low-cost market-oriented approach to crowding in private capital towards decarbonisation aligned investments. In this regard, carbon pricing seems inevitable.

Much like the European Union's interoperable emissions trading system, the NDB can play a catalytic role in supporting the member countries by a) providing capacity-building to design, implement, regulate and monitor domestic carbon pricing mechanisms, and b) demonstrating and enabling interoperability across national countries. Such interoperability may be crucial to preventing market fragmentation, reducing compliance costs, enhancing price discovery, and creating a sufficiently large and creditable carbon market capable of mobilising cross-border carbon trading and investments. The NDB will have to develop capacity to be able to deploy such services through internal resourcing and programming as well as partnerships with relevant agencies and institutions.

Chapter 9

Conclusion

The expansion of the BRICS grouping and the imperative for green energy transition together presents a unique opportunity for the group to reshape the global financial architecture. Within this context, the New Development Bank stands out as a strategically important institution with a clear mandate to allocate 40 percent of its approvals to climate-related projects under its 2022–2026 General Strategy. Representing nearly half of the global population and over a third of global GDP, NDB member countries will drive future growth while requiring massive investments in clean energy, resilient infrastructure, and sustainable industrial systems.

Yet, the scale of finance required to support the transition in these economies far exceeds what the bank can finance directly from its own balance sheet. Therefore, the impact of the NDB will ultimately depend not only on the volume of its lending alone, but also how effectively it mobilises, catalyses, and directs wider financial flows.

This report argues that the NDB's comparative advantage lies precisely in this catalytic role. By strengthening project preparation, de-risking execution, and accelerating disbursements the bank can address one of the most binding constraints in emerging economies: the shortage of bankable, investment-ready green projects. NDBs mandate, balance-sheet structure, and approach to non-sovereign lending affords it the opportunity to address bankability challenges and catalyse private capital for project lending.

Ultimately, the NDB should position itself not only as a project financier but rather as a platform for green capital mobilisation in emerging economies. By disbursing more efficiently, mobilising more broadly, and informing better financial decisions, the bank can help align public and private capital at the scale and speed demanded by the climate challenge.

The report also sets out recommendations for the NDB's next phase of strategic planning, aimed at supporting its evolution into a next-generation multilateral development bank. These recommendations focus on strengthening the bank's institutional architecture through a calibrated expansion of its green lending scope; the creation of a dedicated Research, Development, and Demonstration (RD&D) Innovation Fund; and the establishment of an independent venture capital arm, NDB Ventures, to support early-stage innovation and technology scale-up.

Recognising the heightened risk perception associated with investments in emerging economies, the report further proposes a supra-sovereign guarantee mechanism—NIGA, the NDB Investment Guarantee Agency—to provide political and regulatory risk coverage and crowd in private capital. In parallel, the NDB is well placed to position itself as a Digital-First Development Bank, underpinned by advanced digital capabilities, and AI-enabled operations. Beyond institutional evolution and expansion, the report argues for the strategic use of financial instruments such as sectoral or state-level Just Energy Transition Partnerships and carbon pricing mechanisms to support market creation, system-level transitions, sub-national engagement, and deeper South-South cooperation.

It is clear that the NDB has a unique opportunity not only to support the green transition of its member countries, but to play a decisive role in shaping a more inclusive, resilient, and climate-aligned global financial system. By doing so, the NDB can support projects that advance a smooth energy transition characterised by affordable energy abundance and clean air across its member countries—in effect, greening half the world.

Annexure 1: NDB Projects Approved in 2024*

No.	Project Name	Type	Country	Financing Currency	Approved Financing Amount (million)
1	South Africa Freight Rail Sector Improvement Programme	Sovereign	South Africa	ZAR	18,500
2	Assan Bridge-II Project	Sovereign	India	USD	334
3	Paraíba Water Supply Infrastructure Project	Sovereign	Brazil	USD	61
4	Serra Urban Mobility Improvement Project	Sovereign	Brazil	USD	58
5	South Africa Municipal Water Supply and Sanitation Programme	Sovereign	South Africa	USD	1,000
6	BoCom Financial Leasing LNG Transportation Project	Non-sovereign	China	RMB	US$150 equivalent
7	Electricity Distribution Infrastructure Modernisation Project	Non-sovereign	Brazil	RMB	1,425
8	Liaoning Industry Upgradation, Infrastructure and Environmentally Sustainable Development Project	Sovereign	China	RMB	1,460
9	Haitong Leasing Environmental Protection Project	Non-sovereign	China	RMB	US$100 equivalent
10	Middle Reaches of the Yangtze River (Wuhan) Smart Logistics Hub Project	Sovereign	China	RMB	2,415
11	Madhya Pradesh State Highways Improvement Project	Sovereign	India	USD	490
12	Brasilia Capital of Solar Lighting Project	Sovereign	Brazil	EUR	94
13	SAEL 300 MW Renewable Energy Project	Non-sovereign	India	USD	63
14	Shriram Finance Sustainable Transport Project	Non-sovereign	India	USD	125

**In addition to the operations listed in this table, the NDB also approved a multi-currency loan of US$320 million equivalent in 2024 to a project located in a non-founding member.*

Source: New Development Bank, Annual Report 2024[91]

Annexure 2: NDB Projects Approved in 2025

No.	Status	Project Name	Type	Country	Financing Currency	Financing Amount (million)	USD Equiv. (million)
1	Approved	Pará Sanitation Development Project	Sovereign	Brazil	USD	50	50
2	Approved	City Bank Sustainable Infrastructure Project	Non-Sovereign	Bangladesh	USD	25	25
3	Approved	North Dhaka Waste-to-Energy Project	Non-Sovereign	Bangladesh	USD	100	100
4	Approved	Shanxi Taiyuan Wusu Zero-Carbon Airport Project	Sovereign	China	RMB	1,448	207*
5	Approved	Serra da Palmeira Wind Power Project	Non-Sovereign	Brazil	RMB	1,400	200*
6	Approved	Greener Shanghai Project	Non-Sovereign	China	USD	100	100
7	Approved	Southeast Guwahati Water Supply Project	Sovereign	India	USD	89	89
8	Approved	Graca Aranha – Silvania Energy Transmission Project	Non-Sovereign	Brazil	RMB	2,150	300

No.	Status	Project Name	Type	Country	Financing Currency	Financing Amount (million)	USD Equiv. (million)
9	Approved	National Investment and Infrastructure Fund: Private Markets Fund – II	Non-Sovereign	India	USD	100	100
10	Approved	Wastewater Integration and Pipeline Rehabilitation Project	Non-Sovereign	China	USD	50	50
11	Approved	Brazil Smart Hospital Project	Sovereign	Brazil	USD	320	320
12	Approved	Integration, Social and Sustainable Development Program of Maceió	Sovereign	Brazil	USD	150	150
13	Approved	IDC Sustainable Infrastructure Project	Non-Sovereign	South Africa	ZAR	1000	60**
14	Approved	Regional Sustainable Infrastructure Development Program	Sovereign	Brazil	USD	500	500
							Total Approved: 2351

Source: New Development Bank, "All Projects"[92]

**US$1=7 RMB[93] (exchange rate as at 31 December 2025)*

***US$1= 16.6 ZAR[94] (exchange rate as at 31 December 2025)*

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