

Exploring Promising Financial Instruments to Unlock Additional Finance

**Sixth Annual Meeting of the San Giorgio Group:
Expanding Green, Low-Emissions Finance**

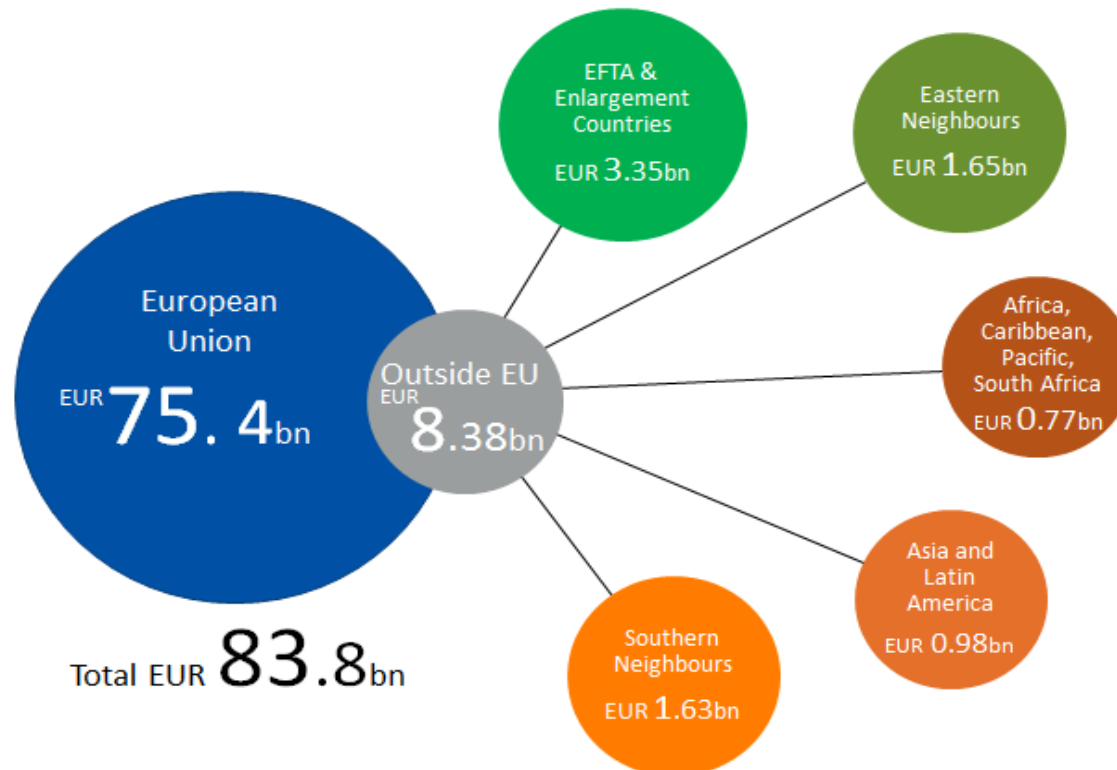
Martin Berg, European Investment Bank

Venice, 8 May 2017

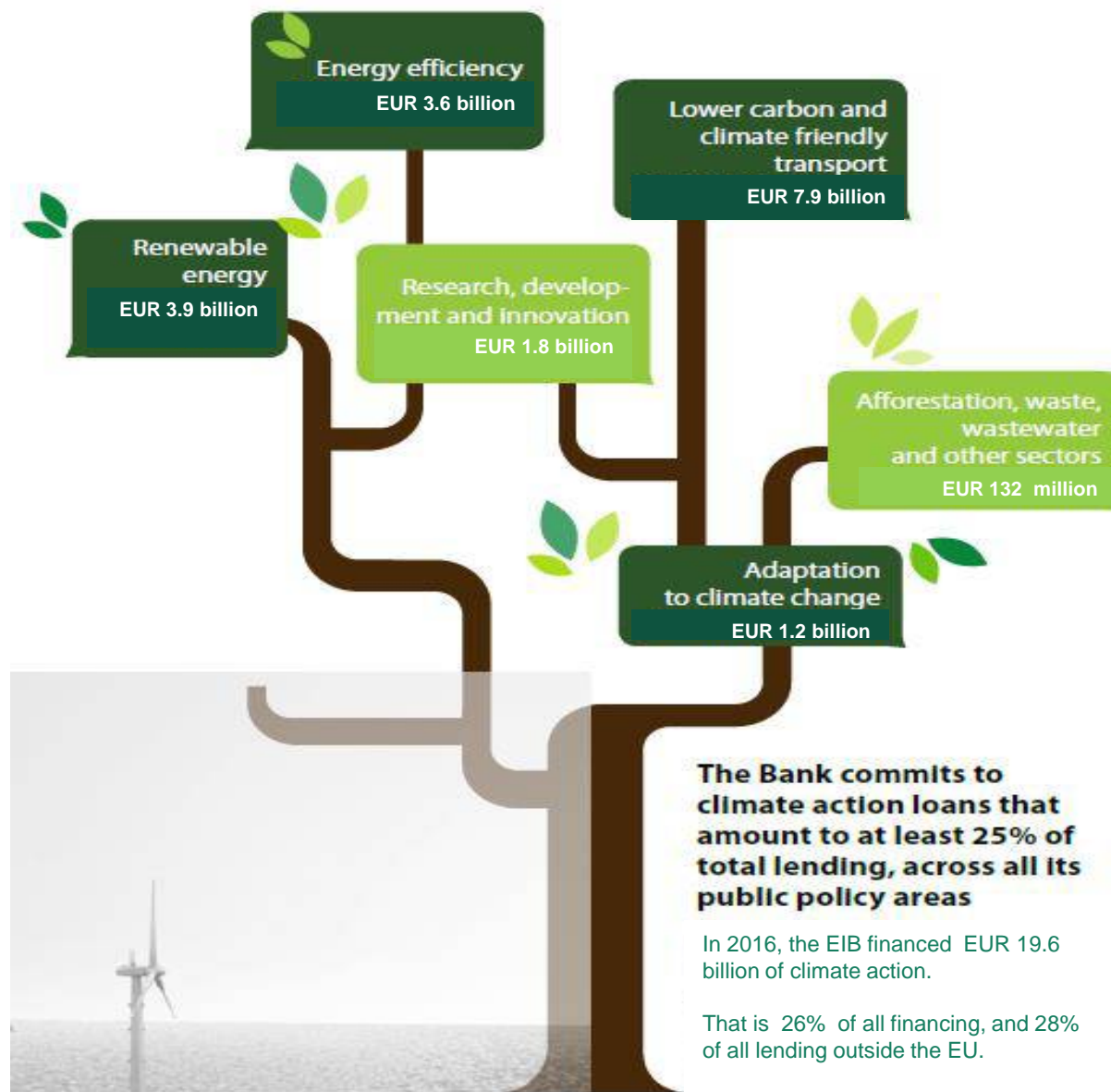
Overview of the EIB

- EIB shareholders are the 28 EU Member States.
- Largest multilateral lender and borrower in the world.
- Some 450 projects annually in more than 160 countries.
- Around 10% of financing is for projects outside the EU.

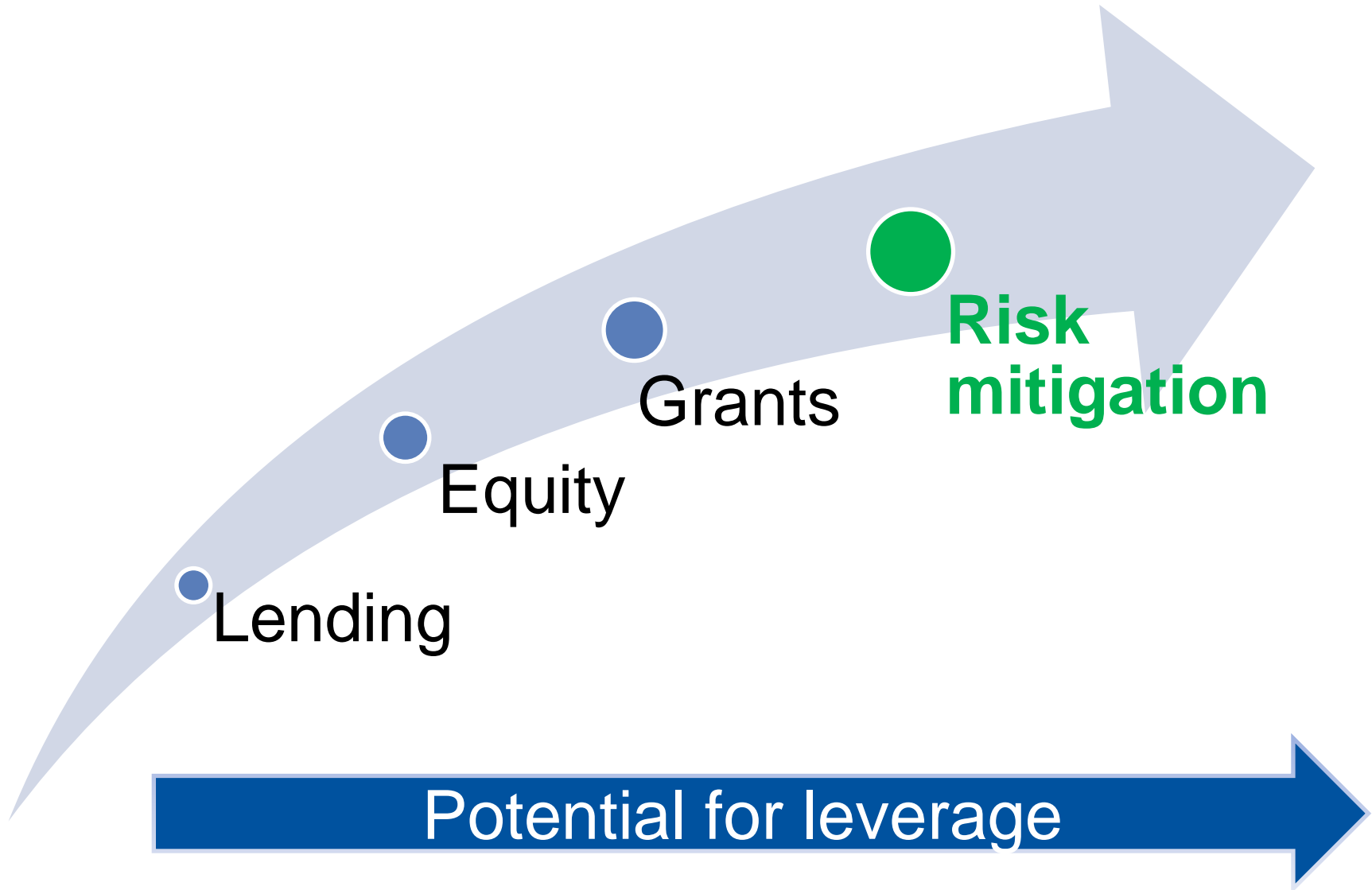
Overall EIB financing volume and geographies 2016

















EIB 2016 Climate Action finance



Options to make climate projects commercially more attractive and leverage the private sector



Examples for paving the way for the private sector

Product	EIB Examples	Overview	Leverage Potential for Private Sector
Improve bankability of small projects	 (ICF supported)	<p><u>Access to risk protection</u> and financing products for small RE project in Sub-Saharan Africa</p>	
Equity Funds	 	<p><u>Catalyse and leverage</u> additional private investment (“halo effect”) and enable investment into new asset classes.</p>	
Layered funds	 GREEN FOR GROWTH FUND SOUTHEAST EUROPE INVESTING IN ENERGY EFFICIENCY AND RENEWABLE ENERGY  EUROPEAN ENERGY EFFICIENCY FUND	<p><u>First loss protection</u> for funds focused on specific policy outcome to allow public and private co-financing</p>	
Fund of funds with first loss protection	 GEEREF <small>Global Energy Efficiency and Renewable Energy Fund</small>	<p><u>Innovative risk water fall</u> for fund of funds focused on RE and EE in emerging markets and economies in transition to attract private co-investment</p>	
Engage Institutional Investors		<p><u>Credit exposure to EIB credit not projects</u>: CABs pari passu with other EIB bonds (AAA rated)</p>	
Innovative Use of Bond Proceeds	 Madagascar Climate/ Conservation Bond (under development)	<p>Innovative use of bonds proceeds for equity fund investments</p>	

Example for cooperating with governments on engaging the private sector: Joint LUX-EIB Climate Finance Platform

Addressing climate change will require innovative, high impact finance solutions that mobilise the private sector

The Luxembourg government is looking to support high impact climate transactions and to promote Luxembourg as a centre for climate finance

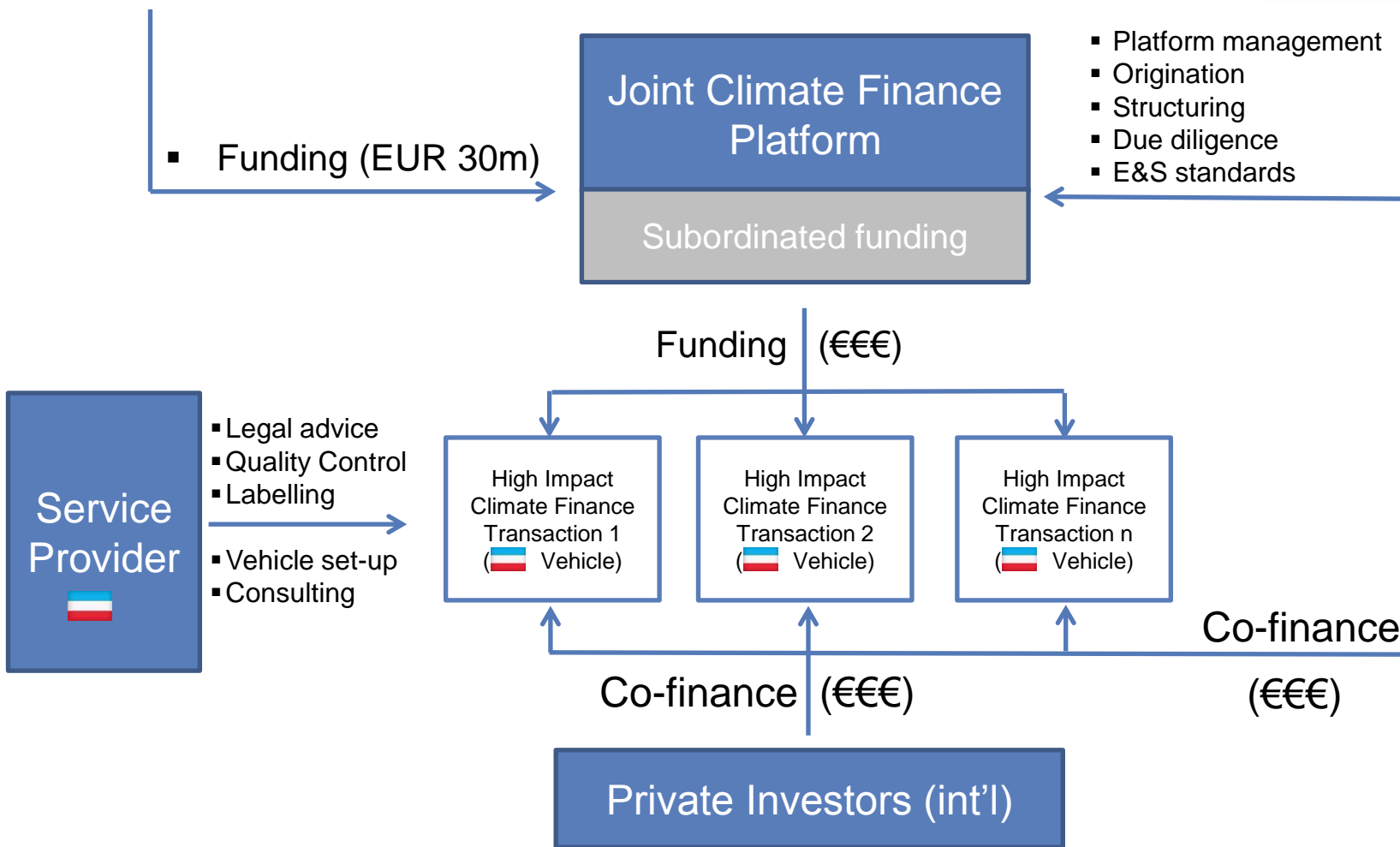
The EIB aims to increase the impact of its climate financing, in particular by mobilising more private sector investment, which requires blended solutions

A joint climate finance platform with pre-agreed criteria and easy access to subordinated funding and high impact transactions is of mutual benefit for both partners

Joint LUX-EIB Climate Finance Platform – Overview



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG



More Information (please click on the pictures)



Questions?

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