

## **PRESS RELEASE**

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### **First-ever investment from Luxembourg-EIB climate finance platform to support Green for Growth Fund in the MENA Region**

- **This inaugural Luxembourg-EIB Climate Finance Platform (LCFP) EUR 5 million investment will support energy efficiency and renewable energy development in the Middle East and North Africa (MENA) region.**
- **The investment will enable the Green for Growth Fund (GGF) to leverage private funding, increasing impact in the region.**
- **The objective is to achieve annual primary energy savings of 125,000 MWh and CO2 emission reductions of 35,000 metric tons.**

The recently launched Luxembourg-EIB Climate Finance Platform, a joint initiative between the European Investment Bank (EIB) and the Government of Luxembourg, is investing EUR 5 million in C Shares of the Green for Growth Fund (GGF). This first investment of the platform was announced today by the EIB at COP 23, the 2017 UN Climate Change Conference.

Speaking at COP23, Christopher Knowles, nominated to the GGF Board by EIB and serving as its Chairman, said: "The EIB has played a key role in the development of the GGF, and remains one of the fund's leading partners. We are very pleased that the Luxembourg-EIB Climate Finance Platform is supporting the GGF in renewable energy and energy efficiency development in the MENA region."

The Luxembourg-EIB Climate Finance Platform will fund high-impact climate action projects with strong environmental and development benefits thereby acting as a catalyst for additional financing. The GGF is an ideal investment partner due to its proven capability to facilitate investments of households, micro, small and medium-sized enterprises into energy efficiency and renewable energy. The GGF also has strong experience in direct financing of renewable energy and energy efficiency projects in low and middle-income countries.

Through its innovative public private partnership structure, the GGF is able to leverage public financial resources with private investments. High impact is additionally achieved through on-the-ground support and capacity-building activities from the fund's Technical Assistance Facility.

LCFP's EUR 5 million investment will focus on climate change mitigation in the MENA region. In 2016, the GGF expanded to the MENA region, where it sees a high demand for the implementation of energy efficiency measures and the development of renewable energy.

Speaking at COP23, EIB President Werner Hoyer said: "At the EIB we are on track to delivering on our climate action commitment. Since the Paris Agreement was adopted, the EIB has provided around 35 billion US Dollars for climate-related investment around the world. We all know that attracting private finance is crucial and that finding innovative solutions is necessary. The Luxembourg-EIB Climate Finance Platform and the project we've approved for MENA under the Green for Growth Fund is an excellent example of how the public sector can, through innovative solutions, help to attract private sector investment for high impact projects."

Pierre Gramegna, Luxembourg Minister of Finance, said: "For Luxembourg, being an important financial centre, unlocking private finance is a key objective. We are very pleased to partner with the EIB on the Climate Finance Platform."

Carole Dieschbourg, Luxembourg Minister for the Environment, said: "We need innovative solutions to achieve the goals set out in the Paris Agreement. This initiative will finance three projects that would otherwise struggle to attract private investment, especially climate adaptation projects in developing countries."

## **Background information:**

### **About the EIB**

The European Investment Bank, the European Union's long-term lending institution, is committed to supporting implementation of the Paris Climate Agreement and backing climate-related investment around the world.

The EIB, active in more than 130 countries, is the world's largest financier of climate-related investment and largest single issuer of green bonds. A quarter of all EIB financing supports climate action and the EIB is committed to providing USD 100 billion for climate related investment in the five years up to 2020.

At COP23 in Bonn, EIB climate experts and senior management are highlighting the EIB's broad support for climate investment in diverse sectors, announcing a number of new policy initiatives and project investments. A regularly updated agenda of EIB events and contacts can be found here:

[www.eib.org/cop23](http://www.eib.org/cop23)

### **About the GGF**

The Green for Growth Fund invests in measures designed to cut energy use and CO2 emissions by a minimum of 20% in 19 markets across Southeast Europe, the Caucasus, Ukraine, Moldova, the Middle East and North Africa. The Fund provides financing to local partners that on-lend to enterprises and private households, and it invests directly, primarily through the contribution of senior debt, in renewable energy projects. The GGF's Technical Assistance Facility maximizes the fund's investment impact through support for capacity building at local financial institutions and partners.

The GGF was initiated as a public-private partnership in December 2009 by Germany's KfW Development Bank and the European Investment Bank, with financial support from the European Commission, the German Federal Ministry for Economic Cooperation and Development, the European Bank for Reconstruction and Development, and the Austrian development bank OeEB. The fund's growing investor base comprises donor agencies, international financial institutions and institutional private investors, including the International Finance Corporation, the Dutch development bank FMO, the German ethical bank GLS, and Church of Sweden. The GGF is advised by Finance in Motion GmbH. MACS Management & Consulting Services GmbH, Frankfurt am Main acts as the technical advisor. For more information see [www.ggf.lu](http://www.ggf.lu)

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