



# CLIMATE FINANCE INSTRUMENTS: GROWING PRIVATE SECTOR ENGAGEMENT

## WHO ARE WE?

COFIDES is the Spanish Development Finance Institution (DFI). Since 1988, COFIDES has been committed with sustainability and supporting private investment projects abroad, combining a double mandate: the internationalization of Spanish companies and the economic development of partner countries.

COFIDES is a member of the European Development Finance Institutions association (EDFI).

COFIDES is an accredited entity for indirect management of funds from the European Union and the United Nations Green Climate Fund.

## CLIMATE FINANCE | OUR EXPERIENCE

### OUR EXPERTISE

Extensive track record in assessing and managing the environmental and social risks of investment projects

**227,9**

M EUR committed

**44**

Climate change mitigation and adaptation projects (Since October 2012)

### Sectors



Renewable energy



Water management



Energy efficiency



Access to finance

### Operations



Project finance



Loans (long-term)

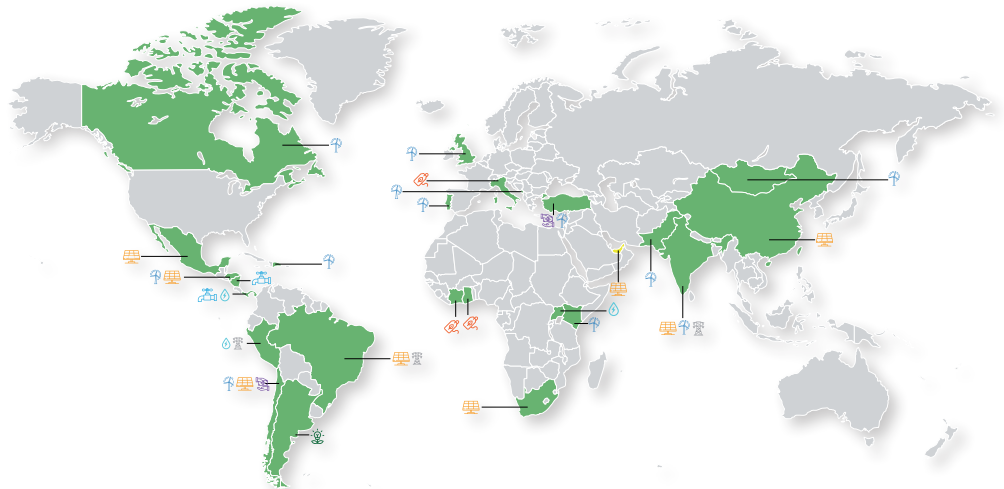


Equity



Funds

- Photovoltaic
- Water management
- Transmission & distribution
- Hidroelectric
- Wind
- Distribution intermediation
- Biomass
- Energy efficiency



## Initiatives supported through EDFI

**EDFI**



Interact Climate Change Facility (ICCF) to finance feasible private projects that contribute to mitigate climate change and promote energy efficiency.

ElectriFi Facility, launched at COP21 in Paris, to support investments in renewable energy for rural electrification.



# CLIMATE FINANCE | OUR FUTURE

## 2019-2021 COFIDES STRATEGIC PLAN: FROM *DO NO HARM* TO *DO GOOD*

- » Sustainability as part of the mission of COFIDES.
- » COFIDES aims to serve as a catalyst to boost progress towards complying with the SDGs, particularly in relation with economic (growth), social impact (decent work and gender) and environmental (climate change) concerns.

## COFIDES AS AN ACCREDITED ENTITY TO MOBILIZE FINANCIAL RESOURCES

COFIDES has become a relevant player in the mobilization of financial resources to fight against climate change and its effects:

- » **European External Investment Plan** - Renewable Energy Guarantee Programme for Sub-Saharan Africa. COFIDES is working closely with the EU to structure the programme, which will mainly focus on mini/off-grid generation projects in underserved and/or rural areas.
- » COFIDES is the only Spanish Accredited Entity to the **Green Climate Fund**. COFIDES can submit climate projects of up to US\$250 million and with any socio-environmental risk level.

## GREEN CLIMATE FUND | SNAPSHOT

### What?

Finances private and public projects in developing and emerging countries to promote a low emission model to reduce greenhouse gases and encourage adaptation to the negative impacts of climate change.

### Where?

Developing and emerging countries signatory to the Conference of the Parties (COP) listed in the UN's Non-Annex 1.

### Investment Principles

- Impact potential
- Paradigm shift potential

- Sustainable development potential
- Needs of recipient

- Country ownership
- Efficiency and effectiveness

## FINANCIAL INSTRUMENTS

US\$ 5.6 billion approved



Grants – 49% (technical assistance, capacity-building and training or feasibility studies, etc)

Concessional Loans – 41% (more favorable financing conditions)

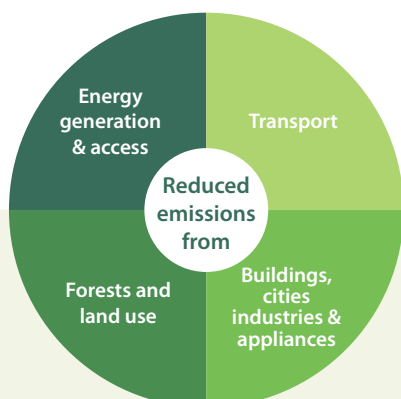
Equity – 9%

Guarantees - 1%

## STRATEGIC AREAS

### MITIGATION

Actions aimed to reduce greenhouse gas emissions or increase CO<sub>2</sub> capture.



### ADAPTATION

Actions aimed at reducing the resilience of people and the environment to the effects of climate change.

