

TRUST FUNDS IN ACTION



European
Investment
Bank



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OVERVIEW

GLOBAL GOALS

EIB Global is the development branch of the European Investment Bank (EIB), which has reshaped the way it operates outside the European Union to respond to global challenges with ever greater impact and create a greener, more connected and more prosperous future for all regions of the world. EIB Global, established in January 2022, brings together the resources of the EIB under a structure designed to foster strong and focused partnerships. It builds on more than 50 years of experience during which the Bank has been supporting investments in developing countries. By being closer to local people, and through efficient cooperation with our partners and beneficiaries, EIB Global will increase the impact of its financing. Today, EIB Global investments help create stability, meet the United Nations' Sustainable Development Goals (SDGs) and fight climate change everywhere. We select projects that make a big difference in daily lives and work with sound, like-minded partners to bring them to fruition.

MAKING THE MOST OF DEVELOPMENT FINANCE

Financing for development is limited. The United Nations estimates that \$4 trillion per year are needed in developing countries to achieve the SDGs. To increase the amounts available, we set up and manage trust funds. Our trust funds are agreements through which a donor transfers financial contributions to the EIB to support third parties, such as public bodies or other financiers, in the implementation of sustainable projects. The Bank collects contributions for trust funds and then uses these resources to provide partners with grants, technical assistance and financial instruments that support projects in dozens of countries around the world.

EIB Global manages ten trust funds financed by our donors — currently 24 EU countries, the European Commission and the United Kingdom.

TRUST FUND INVESTMENT AREAS

Climate action

Vital and social infrastructure

Digitalisation

Companies of all sizes

Innovation

THE EIB'S TRUST FUNDS

- City Climate Finance Gap Fund
- Eastern Partnership Technical Assistance Trust Fund
- Economic Resilience Initiative Fund
- EU-Africa Infrastructure Trust Fund
- Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Trust Fund and its dedicated Climate Action in the Middle East and North Africa (CAMENA) envelope
- Financial Inclusion Fund
- Green Hydrogen Fund
- International Climate Initiative (IKI) Fund
- Luxembourg-EIB Climate Finance Platform
- Water Sector Fund

The EIB's trust funds are a beneficial way to form lasting partnerships with donors helping our counterpart organisations outside Europe to work towards sustainable development, prosperity and equal opportunities.

Working together, the EIB and trust fund partners

- improve the quality and impact of projects;
- share expertise and experience that can be applied to future projects;
- help boost and sustain growth in emerging economies, which is a European Union goal.

Projects supported through the trust funds include public economic and social infrastructure, private sector development, and climate change mitigation and adaptation.

The funds are designed to be both focused and flexible. We can tackle challenges in a single sector (as we do with the Water Sector Fund) or cover several sectors (as with the Eastern Partnership Technical Assistance Trust Fund).

OUR DONORS
24 EU COUNTRIES,
THE EUROPEAN COMMISSION AND
THE UNITED KINGDOM

OUR FINANCING
- €1.2 billion pledged
- €1.04 billion in financing approved
- Over €44.3 billion in investment mobilised

DONOR COUNTRIES
+ EUROPEAN COMMISSION





MAKING PROJECTS MORE SUCCESSFUL

The EIB attracts investment from other financial institutions or organisations because its involvement reduces the level of risk taken by all stakeholders. This is the case for all our financial products and projects, including trust funds. This is particularly important beyond Europe, because it is often hard to find financing for big or innovative — but seemingly risky — projects.

The reduced level of risk attracts higher levels of financing.

Our trust funds enable us to make projects economically viable, for example by financing feasibility studies.

We blend grants with loans to catalyse even more support.

We make projects better by increasing the knowledge and expertise of our clients through the technical assistance we provide throughout the project lifecycle.

ACROSS THE WORLD

The EIB's ten trust funds have financed projects in 75 countries supporting over 330 operations. As of 31 August 2022, fund sizes range from €5.4 million for the Financial Inclusion Fund to €813 million for the EU-Africa Infrastructure Trust Fund.

HOW WE MANAGE TRUST FUNDS

The Partnership Platform for Funds is the Bank's framework for managing donor funds. Set up in 2017, the platform streamlines and standardises procedures for issues such as governance arrangements, fee calculations and reporting standards. The EIB administers a number of individual trust funds under this framework: the City Climate Finance Gap Fund, the Economic Resilience Initiative Fund, the Financial Inclusion Fund, the Green Hydrogen Fund, the International Climate Initiative Fund, the Luxembourg-EIB Climate Finance Platform and the Water Sector Fund.

The Bank also manages several trust funds that were created before the establishment of the Partnership Platform for Funds, such as the FEMIP Trust Fund, the Eastern Partnership Technical Assistance Trust Fund and the EU-Africa Infrastructure Trust Fund.

Most of our trust funds are still open for contributions and we are available to discuss new funds with new or existing partners.



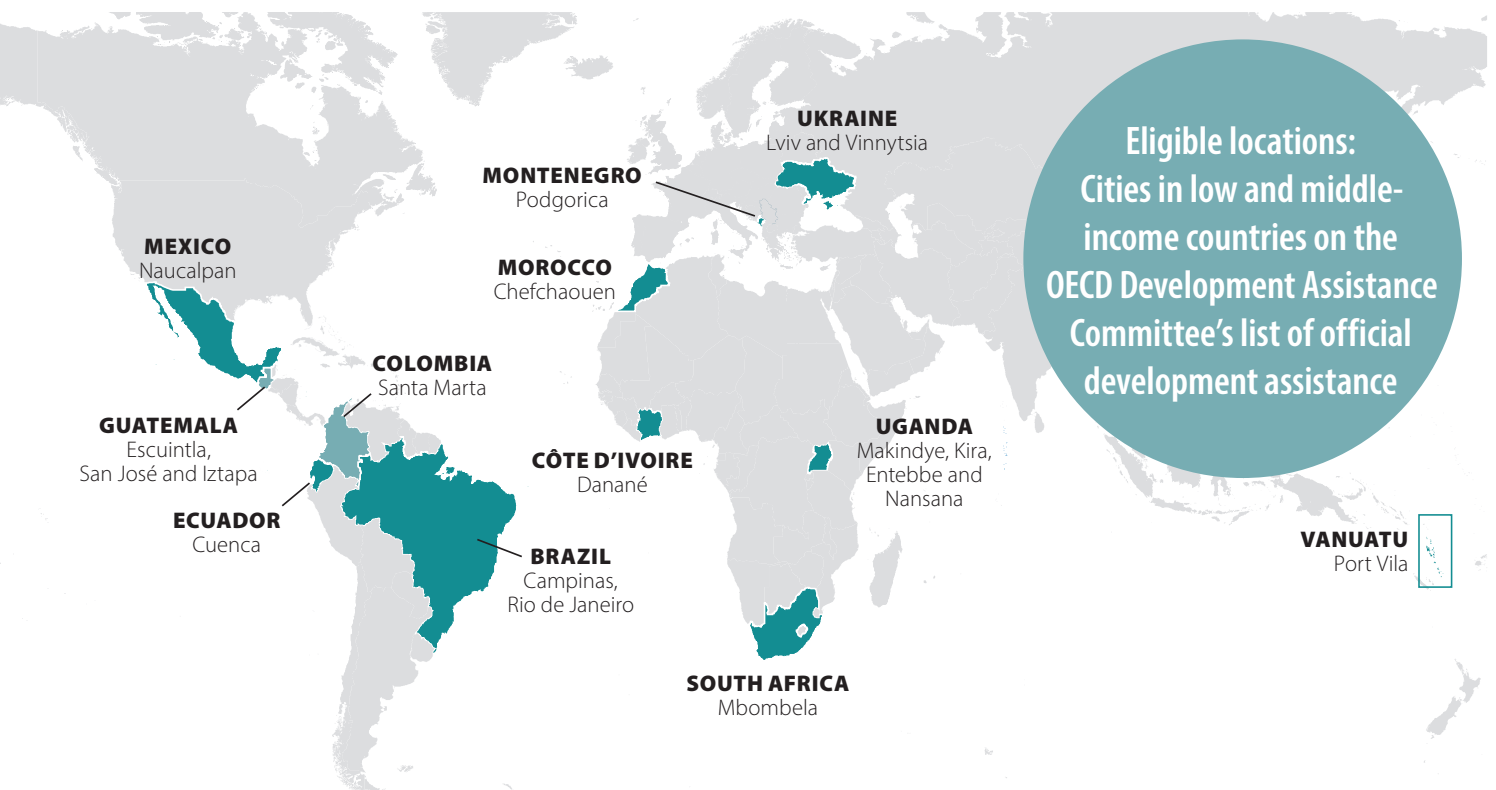
CITY CLIMATE FINANCE GAP FUND

The City Climate Finance Gap Fund, or Gap Fund, is an initiative implemented jointly by the World Bank and the European Investment Bank, the latter in partnership with GIZ, the German development agency (Gesellschaft für internationale Zusammenarbeit). The fund offers technical assistance to cities in developing countries to prioritise and prepare early-stage urban climate investments.

The Gap Fund helps improve liveability, air quality and health for city residents in developing countries, as well as the resilience of local communities and inclusion of vulnerable parts of society. It boosts cooperation between cities and potential project financiers by promoting ambitious climate change mitigation and resilience projects. This will contribute to job creation and significantly improve the lives of millions of people.

DONOR COUNTRIES	TARGET PROJECT VALUE
GERMANY	€4 billion
LUXEMBOURG	
	DONOR PLEDGES
	€23 million (under EIB management)
	CITIES SUPPORTED
	19 (under EIB and GIZ management)

OVERVIEW OF APPROVED TECHNICAL ASSISTANCE ASSIGNMENTS



Sustainable Development Goals supported



Cities are home to more than half the global population and account for more than 70% of global CO₂ emissions. Creating low-carbon and resilient cities is key to achieving the Paris Agreement's goal of limiting the rise in global temperatures to below 1.5 degrees above pre-industrial levels. An estimated \$93 trillion of sustainable infrastructure will need to be built by 2030 and about \$4.5 trillion will be required for project preparation. But many cities struggle to develop and finance urban climate projects because they lack the capacity or technical knowledge. The Gap Fund helps them overcome these hurdles at an early stage.

PROJECT HIGHLIGHTS

The Gap Fund is helping the city of Danané, in Côte d'Ivoire, to analyse potential business models for the deployment of solar tricycles. The city is converting its public taxi fleet to electric vehicles and looking to create socially inclusive business models for drivers.

In Port Vila, Vanuatu, more than 80% of the waste from the central market is organic. The Gap Fund is helping Port Vila assess the potential of a biogas plant to convert organic waste from the market. Food vendors will benefit directly when biogas becomes available as a substitute for liquefied petroleum gas, which is currently used for cooking. The project will also decrease the amount of waste sent to landfill.

In Brazil, Rio de Janeiro and Campinas are receiving support from the Gap Fund to develop a methodology for quantifying the economic and social benefits of nature-based solutions. The fund will also support the development of preliminary designs for new parks, so locals can soon benefit from lower heat and better stormwater management, leading to improved well-being.

Temperatures in some districts of Santa Marta, in Colombia, can be 4° Celsius higher than other areas. To even out temperatures, Santa Marta wants to expand its green spaces and establish an urban forest in the city centre. The Gap Fund is helping the city identify the appropriate institutional and financial approach for implementing and managing these nature-based solutions.

ECONOMIC RESILIENCE INITIATIVE FUND

ELIGIBLE COUNTRIES AND TERRITORIES



Private sector
development

Small businesses and jobs

Solid waste management

Sustainable transport and
urban development

Energy efficiency

DONOR COUNTRIES

BULGARIA

CROATIA

ITALY

LITHUANIA

LUXEMBOURG

POLAND

SLOVAKIA

SLOVENIA

UNITED KINGDOM

DONOR PLEDGES

€112.5 million

PROJECTS APPROVED

10

FUNDS COMMITTED

€110.5 million

INVESTMENT SUPPORTED

€1.14 billion

* Libya is eligible if a framework agreement with the country is signed. Following EU sanctions in November 2011, the EIB suspended all activity in Syria.

** This shall not be construed as recognition of a state of Palestine and is without prejudice to the positions of each EU country.

*** This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Sustainable Development Goals supported



The Economic Resilience Initiative (ERI) is a key part of the European Union's work to help strengthen economies and solve problems related to migration and forced displacement in Europe's Southern Neighbourhood and the Western Balkans. It also supports projects that help societies address and recover from a variety of shocks such as flooding or droughts, economic downturns and political instability.

The Economic Resilience Initiative Fund helps make countries more inclusive. Financed by eight EU countries and the United Kingdom, it offers grants for infrastructure projects and uses high-impact financial instruments benefiting the economy and society, such as by helping women and young people find jobs. The fund helps countries and regions prepare for sudden economic or environmental shocks — particularly important as developing countries are exposed to multiple crises sparked by conflicts, climate change and disease outbreaks.

EXPECTED IMPACT

65 700 jobs supported

**Over 30 000 loans to micro
and small businesses**

**Improved sanitation services for
1.1 million people**

Clean water for 340 000 people

**Better urban infrastructure and
services for 65 000 people**

PROJECT HIGHLIGHTS

The EIB is lending €20 million to Intesa Sanpaolo in Bosnia and Herzegovina so it can offer small loans to businesses wishing to improve gender equality, youth employment and social inclusion. This is the second private sector impact operation in the Western Balkans under the Economic Resilience Initiative and the first for EIB Global. The ERI Fund is providing a €3.3 million grant for distributing financial rewards to companies meeting specific targets for employing women, young people, refugees, minorities, people with disabilities and other groups that have trouble finding work. The project is expected to support 2 600 jobs in the country. It follows a €30 million EIB loan to Unicredit in Serbia, complemented by a €4 million grant from the ERI technical assistance envelope.

The ERI Fund helps North African and Middle Eastern startups and entrepreneurs get off the ground. Its risk-sharing scheme — the Risk Capital Facility — has so far enabled the EIB to invest over €100 million in funds providing seed capital to small and medium-sized companies. These investments are expected to sustain 16 600 jobs, a quarter of which will go to female workers.

Jordan is one of the driest countries in the world and water scarcity brings many challenges for social and economic growth. The country also hosts a large share of refugees fleeing the conflict in neighbouring Syria — a quarter of the Jordanian population — further stretching water resources and infrastructure. A €16.25 million grant from the ERI Fund is helping the government to bring water and sanitation to people in the Deir Alla area, close to the West Bank border.





EASTERN PARTNERSHIP TECHNICAL ASSISTANCE TRUST FUND

ELIGIBLE COUNTRIES



The Eastern Partnership Technical Assistance Trust Fund provides expertise and helps public and private sector promoters in the European Union's Eastern Neighbourhood to develop their capacity to complete projects.

The EIB is working with partners across the European Union on a solidarity package to help Ukraine and neighbouring countries address the refugee crisis and other problems caused by the war. The Eastern Partnership Technical Assistance Trust Fund can provide solutions. In neighbouring countries, the fund can help boost economic resilience in the face of an increased influx of refugees. In Ukraine, it has already provided support for post-war recovery and reconstruction, and will continue to do so.

EXPECTED IMPACT**

118 000 people employed in construction each year

Safe drinking water for over **66 700 people**

More than **2.4 million people** with more reliable and cleaner energy

** Subject to review due to the ongoing conflict that started in 2022 in Ukraine.

DONOR COUNTRIES

AUSTRIA

FRANCE

GERMANY

LATVIA

LITHUANIA

POLAND

SWEDEN

UNITED KINGDOM

OPERATIONS APPROVED

42

DONOR PLEDGES

€43.54 million

INVESTMENT SUPPORTED

€9.5 billion

FINANCING APPROVED

€38.3 million

Sustainable Development Goals supported



Private sector and small businesses

Urban development and transport

Renewable energy and energy efficiency

Water and environmental infrastructure

Climate change mitigation and adaptation

PROJECT HIGHLIGHTS

The Eastern Partnership Technical Assistance Trust Fund is providing a €498 000 grant to the government of Moldova to support the design and planning of a new regional hospital in Cahul, in the south of the country. Once completed, the hospital will make modern healthcare services accessible to more than 120 000 people, including chemotherapy, which is currently unavailable to patients in the region. The new hospital will also increase the overall resilience of the public health sector in Moldova, which is currently strained due to the coronavirus pandemic and the war in Ukraine.

Two different grants from the Eastern Partnership Technical Assistance Trust Fund are boosting climate action investment in Georgia. The EIB is helping the Bank of Georgia to put together a climate finance strategy that will enable it to take into account the risks posed by climate change to its clients. This will help them to identify new business opportunities. Another grant will enable Georgia's TBC Bank to improve its offer to small businesses in the country when it comes to lending for climate action projects. Among other things, the grant will increase TBC Bank's know-how in sustainable financing and enable the Bank to promote the advantages of climate action lending to current and potential clients.

After Russia annexed the Crimean Peninsula and occupied two large parts of eastern Ukraine in 2014, the Eastern Partnership Technical Assistance Trust Fund (EPTATF) approved a €3 million grant to support the implementation of a €200 million EIB loan (Early Recovery Programme) to assist people who fled the conflict, and the towns that accepted them. As part of this project, more than 90 hospitals, medical facilities and a large number of educational sites in eastern Ukraine were repaired, insulated or refurbished to modern standards. Many of these sites have been damaged again. EPTATF can be used once more as part of the solution to rebuild the area.

EU-AFRICA INFRASTRUCTURE TRUST FUND

EXPECTED IMPACT

Electricity for
5.6 million homes

12 000 kilometres
of internet cables

Safe drinking water for
745 000 homes

DONOR COUNTRIES

AUSTRIA	HUNGARY
BELGIUM	ITALY
EUROPEAN COMMISSION	LUXEMBOURG
FINLAND	NETHERLANDS
FRANCE	PORTUGAL
GERMANY	SPAIN
GREECE	UNITED KINGDOM

DONOR PLEDGES

€813 million

GRANTS APPROVED

123

Sustainable Development Goals supported



The EU-Africa Infrastructure Trust Fund was one of the first trust funds to be managed by the EIB. While it no longer receives new contributions from donors, it continues to offer ongoing support for infrastructure projects in sub-Saharan Africa that reduce poverty and improve economic growth. The fund's grants can support projects financed by the EIB as well as other financiers.

The trust fund has two main areas of activity. €483 million from the fund is dedicated to helping finance cross-border and national infrastructure projects in the energy, transport, water and information and communications technology sectors. A separate amount of €330 million has been set aside to support renewable energy and energy efficiency projects that are in line with the United Nations' Sustainable Energy for All initiative.

PROJECT HIGHLIGHTS

The government of Ethiopia is implementing a project to build water supply systems in 48 small and medium towns across the country using a €1.27 million technical assistance grant from the EU-Africa Infrastructure Trust Fund. The living conditions of the people of Ethiopia will improve thanks to increased and more sustainable access to drinking water and therefore reduced sickness. In addition, the project contributes to regional stability in conflict-prone areas, as proximity to water systems will reduce cross-border movements as people travel to find drinking water. The new water systems will help reduce water loss and avoid over-exploitation of the Nile's sources, benefiting the millions of people who live downstream and for whom the river is a lifeline.



Energy
Transport
Water
Information and
communication technologies

The Seychelles are a group of islands in the Indian Ocean. Victoria, the capital, is located 1 500 km away from mainland Africa. So when the country was connected to a submarine fibre-optic cable in 2012 through an EIB loan, the internet became more affordable for residents, and subscriptions to an internet connection jumped by 70% within two years. The EU-Africa Infrastructure Trust Fund provided an investment grant used to purchase an equity stake in Seychelles Cable Systems Company Limited, created to operate the cable. Part of the income from the equity stake received by the government was used to provide free internet access to public schools in the Seychelles. As of 2021, over 17 000 pupils from primary and secondary schools — all public schools in the country — benefited from free internet access thanks to the grant. In 2022, the EIB and the government of the Seychelles are working together to provide additional capacity to schools to meet growing needs.

THE FACILITY FOR EURO-MEDITERRANEAN INVESTMENT AND PARTNERSHIP TRUST FUND

ELIGIBLE COUNTRIES AND TERRITORIES

Cross-border or regional projects are also eligible

MOROCCO

ALGERIA

TUNISIA

LIBYA*

LEBANON
ISRAEL
PALESTINE**

JORDAN

EGYPT

Small businesses

Infrastructure

Environment

Research and development,
skills, innovation

EXPECTED IMPACT

123 000 jobs sustained in small businesses, microenterprises and mid-cap companies

Improved sanitation for 1.2 million people

Green electricity for 260 000 homes

* Libya is eligible if a framework agreement with the country is signed.

** This shall not be construed as recognition of a state of Palestine and is without prejudice to the positions of each EU country.

PROJECTS APPROVED

72 (87 including CAMENA)

DONOR PLEDGES

€49.2 million

FINANCING APPROVED

€52 million***

INVESTMENT MOBILISED

€4.04 billion

DONOR COUNTRIES

AUSTRIA

LUXEMBOURG

BELGIUM

MALTA

CYPRUS

NETHERLANDS

EUROPEAN
COMMISSION

ROMANIA

FINLAND

PORTUGAL

FRANCE

SLOVENIA

GERMANY

SPAIN

GREECE

SWEDEN

IRELAND

UNITED KINGDOM

ITALY

*** Reflows from completed projects have brought the balance of approved funds higher than the amount of donor funds committed. These financial returns are injected into new projects to provide even more support to beneficiary countries.

Sustainable Development Goals supported



The Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Trust Fund supports economic development in Europe's Southern Neighbourhood. The fund offers loans, grants and technical assistance and can support riskier operations by innovative entrepreneurs. It includes a programme called CAMENA, or Climate Action in the Middle East and North Africa, which offers grants for climate action.

PROJECT HIGHLIGHTS

A FEMIP Trust Fund technical assistance grant is helping STEG, the Tunisian electricity provider, to carry out a study of the environmental and social impacts of a 400 MW pumped water transfer station in the Beja province in the north of Tunisia. This will help STEG to expand its use of renewable energy and reduce its use of gas. The project will also increase the energy storage capacity of Tunisia's electricity system, which is important for periods when renewable energy sources such as wind and solar power generate less.

A technical assistance grant is helping MASEN, the Moroccan Agency for Sustainable Energy, to take advantage of the huge untapped potential for wind energy in Morocco. The funding will be used to carry out a feasibility study to prepare the ground for the construction of an offshore wind farm.

Repeated pandemic-induced lockdowns and constant loosening and tightening of restrictions have caused havoc for microfinance institutions and the clients they serve. A €2 million technical assistance programme called TAFIR, operational since 2018 and designed to help these institutions give loans to more vulnerable people across several countries in the EU Southern Neighbourhood, has provided vital assistance during this difficult time, for example:

- A crisis technical assistance package helped Vitas Lebanon and Al Majmoua — two Lebanese microfinance institutions — to deal with the consequences of the pandemic amid the economic and social turmoil rocking the country.
- Support for another microfinance institution in Jordan improved its digital lending processes.
- In Tunisia, a microfinancier received help with developing microinsurance products for vulnerable people, and technical assistance supported adjustments to its lending practices in the face of the pandemic.

TAFIR has also supported the Microfund for Women (MfW), an institution that supports female microentrepreneurs in Jordan. With the technical assistance provided by TAFIR, MfW was able to develop a scoring model to strengthen their loan approval process. The benefits of the model include faster turnaround, lower processing times and more standardised loan decisions and loan approvals, enabling the fund's beneficiaries to enjoy lower pricing and default rates. At national level, the development of a functioning scoring model has made MfW's services more accessible to vulnerable populations and boosted financial inclusion.

CAMENA — CLIMATE ACTION IN THE MIDDLE EAST AND NORTH AFRICA

Renewable energy and
energy efficiency

Sustainable transport and
urban development

Solid waste management

Forestry and land use

Research, development
and innovation

DONOR COUNTRY

UNITED KINGDOM

INVESTMENT MOBILISED

€913 million

OPERATIONS APPROVED

15

DONOR PLEDGES

£11 million (€12.7 million)

SOME EXPECTED IMPACTS

Improved sanitation for 80 000 people and safe drinking water and
reduced drought risk for **105 000 people** in Jordan

Improved sanitation for up to **1.5 million people** in Egypt

A total of **22 000 jobs** created during construction works

Sustainable Development Goals supported



CAMENA is a programme in the FEMIP Trust Fund dedicated to climate action financed by the United Kingdom's Foreign, Commonwealth and Development Office.

CAMENA has offered grants to the public and private sectors in the Mediterranean region to help tackle climate change. Its aim was to help projects get loans from the EIB and other investors. CAMENA supported technical assistance needed to help identify and prepare investment opportunities, and equity investments that crowd in private sector finance.

Tackling instability
Long-term development
Environment and society
Resilience to climate change
Economic growth
Lower greenhouse gas emissions

PROJECT HIGHLIGHTS

CAMENA provided finance for technical assistance to help the Banque Marocaine du Commerce Extérieur lend to the water sector. These loans help project promoters, from small companies to local public sector utilities, to invest in protecting existing water sources from pollution, and improve the efficiency of how water is used in agriculture and industry.

Elsewhere, it is providing a technical assistance grant to help Tunisia make its rail transport network greener, enabling Tunisian Railways (Société Nationale des Chemins de Fer Tunisiens) and the Ministry of Transport examine the potential of using solar power to develop zero or low-emission trains for passenger and freight transport. Beyond making the railway system cleaner and more efficient, modernisation will give rural communities and marginalised populations better access to social services and broader work opportunities.

FINANCIAL INCLUSION FUND



EXPECTED IMPACT

Almost **600 000 people** in remote and rural parts of Zambia provided with access to financial services

Rollout of digital banking to **26 400 people** in Uganda

200 000 female micro-entrepreneurs in Uganda able to access and use financial products

This fund was launched in 2019 with the government of Luxembourg to help financial institutions in developing countries. It aims to give more loans to microenterprises and other small businesses, particularly those run by women or young people in rural communities. These parts of society often have trouble taking out loans. The Financial Inclusion Fund will bring these services to more people. In the future, this fund could be expanded to include financial instruments for microfinance institutions.

Eligible locations: This fund supports operations in least developed, low-income, lower and upper middle-income countries included in the [OECD Development Assistance Committee's list of recipients of official development assistance](#).

Sustainable Development Goals supported



DONOR COUNTRY

LUXEMBOURG

DONOR PLEDGES

€5.4 million

OPERATIONS APPROVED

23

Technical assistance and
capacity building for financial
institutions

Rural populations

Young entrepreneurs

Women business owners

PROJECT HIGHLIGHTS

Uganda has the second youngest population in the world, yet its young people are often excluded from access to finance by formal financial institutions. Two-thirds of the under 25s who are old enough to work are unemployed. Young adults often lack the skills to operate a business and the financial know-how to manage their liquidity needs. A €133 000 grant from the Financial Inclusion Fund is helping Pride Microfinance to address this shortfall with a technical assistance programme helping the institution to devise a youth inclusion initiative. One thousand young people will be trained and nearly 2 000 loans disbursed to startup owners.

A €145 000 grant managed by the Fondation Grameen Crédit Agricole is helping three different microfinance institutions in Togo, Senegal and Benin to empower female entrepreneurs by designing specific finance training programmes for them, especially in rural areas. In addition, the grant contributes to climate action and healthcare resilience through the development of lending products for agricultural machinery powered by renewable energy, and targeted health insurance.

Climate change disproportionately affects developing countries, putting peoples' personal and professional lives at greater risk from natural disasters. A €150 000 grant from the fund is helping the clients of Advans, a microfinance institution active in West Africa, to strengthen their resilience to extreme weather events. In Ghana, an awareness-raising campaign is under way concerning the possible impacts of climate change. In Côte d'Ivoire, the grant is supporting the development of awareness-raising tools and an action plan to mitigate climate risks in the cocoa sector.

The Financial Inclusion Fund is supporting the Lebanese microfinance institution Al Majmoua in its efforts to build resilience for itself and its clients in the face of the lingering economic crisis in the country, which has been exacerbated by the pandemic. The institution serves a vulnerable segment of the population, including refugees. A €215 000 grant is supporting its digital transformation, including a plan to revamp its business model, moving from bricks-and-mortar points of contact to a fully branchless model providing a faster and safer customer experience. As a result, customers will benefit from cheaper and more innovative financial services.

GREEN HYDROGEN FUND

This fund was devised in 2021 in cooperation with the government of Germany. Implemented by the European Investment Bank in partnership with GIZ, the German development agency (Gesellschaft für internationale Zusammenarbeit), it provides strategic advice and technical assistance to developing countries to help them formulate sustainable decarbonisation pathways, using green hydrogen.

The Green Hydrogen Fund contributes to the decarbonisation of hard-to-abate sectors in developing and emerging economies. Through technical assistance grants, the fund provides strategic advice and capacity building to these countries, helping them integrate green hydrogen into their national decarbonisation strategies and implementation roadmaps in line with the Paris Agreement of 2015.

Green hydrogen, or hydrogen produced from the electrolysis of water with renewable energy, is a crucial element for curbing carbon emissions and achieving a net-zero economy by 2050, as outlined in the Paris Agreement. Green hydrogen and its derivative products have the potential to cut emissions in carbon-intensive sectors such as sea and air transport and the chemical industry (fertilisers, cement, etc.), which are otherwise heavily reliant on fossil fuels.

ELIGIBLE COUNTRIES

This fund supports operations in developing countries and emerging economies.

EXPECTED IMPACT

Facilitating decarbonisation in hard-to-abate sectors
(in line with the 1.5° C objective of the Paris Agreement) by:

- improving the enabling environment (policy, capacity) for green hydrogen projects in developing countries;
- supporting the preparation of sustainable green hydrogen projects.

Sustainable Development Goals supported



DONOR COUNTRY

GERMANY

DONOR PLEDGES

€25 million

National decarbonisation
pathways

Technical assistance and advisory
services for developing countries

Climate change mitigation



INTERNATIONAL CLIMATE INITIATIVE (IKI) FUND





This fund gets its name from Internationale Klimaschutzinitiative (IKI), the German International Climate Initiative. IKI provides grants in developing countries for climate mitigation and adaptation. The fund was developed by the EIB in partnership with the German government and started operating in 2019.

Working with the public and private sectors, it operates to reduce greenhouse gas emissions by encouraging new types of renewable energy, energy efficiency, circular economy and low-carbon technology. The fund also aims to lower the risks posed by climate change in agriculture, biodiversity, water and wastewater systems, energy, transport, coastal areas and rivers.

At the macro level, the fund engages in activities aimed at making financial systems greener so that central banks and financial institutions can better account for climate-related risk and make use of the regulatory measures available to them.

The IKI Fund aims to reduce emissions and make countries less vulnerable to the damage caused by climate change. It offers technical assistance to developing countries and advisory services to their central banks and financial institutions. It also provides financial tools and risk-bearing facilities that help crowd in additional funding for climate action projects from private investors. Investors fund energy efficiency measures or off-grid renewable electricity installations, for example.

The IKI Fund supports operations in developing countries included on the [OECD Development Assistance Committee's list of recipients of official development assistance](#). Countries communicate their commitments to the 2015 Paris Agreement on climate change through Nationally Determined Contributions (NDCs) — each country's strategy to cut its greenhouse gas emissions and build climate resilience. The IKI Fund works together with the NDC partnership, a coalition of more than 200 countries and institutions that pool their knowledge and resources to deliver on ambitious climate action that helps achieve the Paris Agreement and the United Nations SDGs.

DONOR COUNTRY
GERMANY
DONOR PLEDGES
€37.1 million
EXPECTED TOTAL INVESTMENT SUPPORTED:
€255 million

Climate change mitigation
and adaptation

LUXEMBOURG-EIB CLIMATE FINANCE PLATFORM

The Luxembourg-EIB Climate Finance Platform (LCFP) is a joint initiative of the EIB and the government of Luxembourg. It supports climate change mitigation and adaptation projects around the world using innovative, high-impact financing solutions. The LCFP strengthens its impact by attracting private sector investors. The multiplier effect of the LCFP, which varies depending on the fund, is calculated as the ratio of total investment in final projects to the Platform's initial commitment and stretches from just 28x in the case of the responsAbility Access to Clean Power Fund to over an estimated 667x for the Urban Resilience Fund at target size.

Investments promote sustainable land use and land restoration, energy efficiency and renewable energy, climate resilience data and engineering solutions, and off-grid electricity for households and small businesses in rural or remote areas, in accordance with the Sustainable Development Goals.

DONOR COUNTRY	OPERATIONS APPROVED
LUXEMBOURG	6
DONOR PLEDGES	TOTAL INVESTMENT MOBILISED
€70 million	€16.6 billion
LCFP MULTIPLIER EFFECT	
from 28x to 667x, depending on the fund	

Debt and equity funds,
including subordinated
investment

Direct debt investments, including
mezzanine and subordinated
debt

PROJECT HIGHLIGHTS

LCFP contributed to the **Green for Growth Fund**, which invests in renewable energy, energy efficiency, water and sanitation projects in the Southern and Eastern Neighbourhoods, the Middle East and North Africa.

The platform supports the **Land Degradation Neutrality Fund**, which is looking to rehabilitate and restore 500 000 hectares of degraded land in Africa, Asia, the Caribbean and the Pacific, mainly through sustainable agriculture and forestry.

An LCFP contribution to **responsAbility's** Access to Clean Power Fund is helping smaller companies to provide renewable energy solutions, both on and off-grid, to millions of people across sub-Saharan Africa, Asia and the Pacific.

Sustainable Development Goals supported



An investment in the **Climate Resilience Solutions Fund**, known as CRAFT, will support small businesses involved in climate intelligence such as analytics, risk modelling and water monitoring. This will help people in Africa, Asia and Latin America to better adapt to climate change.

The platform supports the **Emerging Markets Climate Action Fund**, a private equity fund-of-funds focusing its investments on funds that support the production of clean energy, thus reducing carbon emissions and air pollution. For example, it supports the development of low-carbon infrastructure such as solar panels, onshore wind turbines and hydropower plants.

The LCFP made a contribution to **The Urban Resilience Fund (TURF) B**, which helps cities in rapidly growing urban areas in Africa. The fund targets investments in green, sustainable and resilient public infrastructure projects.



EXPECTED IMPACT

47 million tonnes reduction
in CO₂ emissions per year

25 million tonnes CO₂ sequestered

1 143 MW in renewable energy capacity


Greater energy access for **millions of people**

350 000 hectares under sustainable land
management

Technologies for **climate adaptation** and
resilience

WATER SECTOR FUND

This fund was developed by the EIB and the government of the Netherlands. It supports projects in low and lower-middle-income countries whose public authorities often have limited finances and lack the capacity to build water projects adequately. Some residents in these regions do not have basic sanitation or good water supplies. This trust fund's grants and initial-phase technical assistance help countries plan modern and innovative water projects and improve water management. Since the pandemic, new projects have been developed and the scope of the fund has been extended. In addition to technical assistance, financial instruments can be used in order to de-risk investments for private investors. This enables each euro provided by the fund to attract several more, for a greater impact on the ground.



Water
infrastructure for
underserved households
Innovative water projects
Water management

ELIGIBLE COUNTRIES

The Water Sector Fund is active in low and lower-middle-income countries. It focuses on cities with more than 100 000 people, as well as clusters of smaller cities.

PROJECT HIGHLIGHTS

Malawi's secondary cities have fast-growing populations but lack adequate water infrastructure to serve them. A €495 000 technical assistance programme will help Malawi's Southern Region Water Board ensure these regional centres get the safe and sustainable water provision they need.

A €250 000 technical assistance programme is supporting the feasibility study for an innovative renewable energy-powered water conveyance system in Malawi. This is part of a larger programme to enhance the country's water systems by transferring water from Lake Malawi.

The Tillabéri region of Niger is struggling with conflict, which is hurting water supplies. A €350 000 Gothey-Téra feasibility study is helping to prepare water projects in this fragile region for financing. The study also looks at using solar power for water conveyance.

São Tomé and Príncipe's government is carrying out significant road infrastructure works. A €1.3 million grant from the Water Sector Fund will help protect urban communities from coastal erosion, provide better drainage and reduce flooding risks from nearby river basins.

Rural populations in Burkina Faso lack access to running water. In the Soum area, only 10% of households are connected to the water supply network. A €350 000 feasibility study is helping the Burkinabe National Office for Water and Sanitation to prepare a project that will improve access to running water and sanitation to residents' homes and wastewater management in the nearby city of Koudougou.

**EXPECTED
IMPACT**

Clean water for hundreds of
thousands of people
Improved sanitation
services

DONOR COUNTRY

NETHERLANDS

FINANCING APPROVED

€2.7 million

DONOR PLEDGES

€28.3 million

PROJECTS APPROVED

5



EIB Global is the international development arm of the EIB. Established in 2022, EIB Global continues the EIB's decades-long commitment to financing development, climate action, innovative investments, sustainability and new ways of helping people around the world.

Donor partnerships enable us to tackle global challenges together and make a lasting difference in developing countries. Donor contributions are placed in trust funds that are used to provide investment grants, technical assistance, financial instruments such as risk-sharing facilities, first-loss pieces and partial portfolio guarantees to achieve a lasting impact on the ground and improve the lives of millions of people.

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