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**Check against delivery**

Ladies and gentlemen,

It is a great pleasure to speak to you today and I would like to thank the organisers for putting together this outstanding event.

I am particularly pleased to be speaking here alongside His Excellency Salaheddine Mezouar – COP22 President and Minister of Foreign Affairs – as well as Minister of Environment Her Excellency Hakima El Haite.

Morocco is one of the key partners of the EU Bank in the Mediterranean region. Indeed, together we are helping to lead the way on climate action investments.

The EIB has been operating in Morocco for almost 40 years and over that period has signed nearly EUR 7bn in loans, primarily covering transport (33% of total signatures) and energy (31%).

The financing of climate action is one of the EIB's key priorities and it is a part of our business where, because of its importance, we have set specific targets for ourselves.

And we are proud to be the largest multilateral financier of climate action in the world.

In the last 5 years, we have financed EUR 90bn of climate action investments around the world. In 2015 alone our climate action financing rose to a record EUR 20.7bn, which represented 27% of the EIB's total lending.

Ahead of last year's Paris conference, we committed to increase our climate action financing in developing countries to 35% by 2020.

Overall, we expect our financing of climate-friendly activities to reach a total of USD 100 billion globally between now and 2020. In this way, we will play a vital role in helping the world put the Paris agreement into practice.

When it comes to the impact of climate change, it is widely acknowledged that the Mediterranean region will be among the regions hit particularly hard.

For example: increasing water stress in parts of Palestine is having a significant impact on water availability and food production for the day to day life of the population.

In response to this, the EIB has been supporting preparations for a large-scale desalination facility in Gaza, which will help to deliver fresh water to 1.7 million people.

The proposed design of the facility is particularly interesting.

In cooperation with the European Commission – it has been possible to incorporate renewable energy sources (solar / wind energy) for part of the project's operating needs.

This means that the project serves a dual purpose to adapt to the impacts of climate change and to mitigate greenhouse gas emissions.

Another example of a project in the region is the Ouarzazate solar plant here in Morocco, the biggest concentrated solar project in the world.

The impact of the project will be significant.

Morocco currently imports over 97% of its energy.

By harnessing its abundant sunshine, the country will free itself from volatile fuel costs and create the potential to export green energy to neighbouring countries.

Upon completion, Ouarzazate will provide electricity for more than 1 million people, contributing around 14% of the energy mix in Morocco's electricity supply and making a vital contribution to Morocco's vision of increasing the share of renewables in its energy mix to 42% by 2020.

But that's not where the story ends.

Ouarzazate will also reduce the country's fossil fuel dependence by the equivalent of 2.5 million tons of oil, cut carbon emissions by 760 000 tons per year, and potentially lead to a reduction of 17.5 million tons of carbon emissions over 25 years.

Projects like this show the path for providing clean energy in a world with an ever-growing demand for power.

But our financing alone will not be enough.

According to the International Energy Agency, energy investments of USD 2.7 trillion per year are needed from now to 2040.

To get this done, the bulk of the investment will need to be made by the private sector.

So these investments must be smart and green.

That poses a challenge but is at the same time a major business opportunity.

The first signals from the market indicate that investors are responding positively.

According to HSBC, investing influenced by Environmental Social & Governance factors has grown from close to zero a decade ago to an estimated 30% of professionally managed assets globally today.

This means that nearly USD 21 trillion of funds under management integrate some form of Environmental Social & Governance criteria into the investment process.

However, to achieve the Paris targets, many more investors need to factor climate risks more explicitly into their investment decisions and put their money into climate-friendly projects.

To help address this issue, ahead of COP21, the EIB published a formal Climate Action Strategy at the end of last year. The Climate Action Strategy consists of three main pillars: reinforcing the impact of climate investments, building resilience to climate change, and mainstreaming climate change considerations.

The first part of this climate strategy aims to increase the impact of climate financing. That includes growing the pipeline of high impact projects, financial innovation and further support to the Green Bond market.

The EIB pioneered the Green Bond market in 2007 by issuing the world's first Green Bond, branded "Climate Awareness Bond". Since then we have issued over EUR 15 billion in the format across 11 currencies, and we are the world's largest issuer of Green Bonds to date.

The EIB also provides the market with best-practice examples of impact reporting and external review – importantly, our auditor KPMG recently issued an Independent Reasonable Assurance Report on our Green Bond programme.

In addition, we contribute to the green bond market qualitatively through the Green Bond Principles (GBP). The GBP provide voluntary guidelines that promote transparency and accountability in the Green Bond market.

Transparency includes, for example, details on which projects have been financed with Green Bonds.

In shifting trillions of dollars into green investments, it is crucial that investors can put their money directly into green, climate-smart projects.

Public banks such as mine – the Bank of the EU – have a key role to play, in developing products and instruments that encourage and maintain private capital flows to climate-friendly projects.

And that's what we do and how we expect to make the Paris agreement a reality.

The EIB is taking away risks that are holding the private investors back from putting their money into climate action.

That's because risks typically include scale, regulatory and political uncertainties as well as technological risks associated with the financing of emerging technologies.

Our contribution is to lift barriers, mitigate risks, and thereby crowd-in private investors.

Take the Global Energy Efficiency and Renewable Energy Fund or GEEREF. This fund started with a big chunk of public money – EUR 112

million from Norway, Germany and the EU – which it used to entice EUR 110 million from private investors.

The EIB's presence, in the form of GEEREF, helps these managers raise money. These funds in turn invest in small and medium-sized energy projects across emerging markets.

The newest investment of GEEREF is the Catalyst MENA Clean Energy Fund that aims to bridge the financing gap for private sector-led renewable energy and energy efficiency projects in the MENA region.

Construction is now due to start on five solar plants for the telecommunications company Orange. The solar plants will cover all the company's energy needs in Jordan.

Another element of our new climate strategy focuses on building resilience to climate change.

This is particularly important in the least developed countries and small island states where efforts to promote sustainable development are too often being undermined through severe weather events.

That's why the EIB has taken special care to support the impact of climate projects on islands.

For example, the Cook Islands comprise 15 islands. Almost 90% of the combined territory is less than 5 metres above current sea level.

So when you hear scientists estimating sea levels rising by one to two metres, you can imagine what this means to residents of this island nation.

The EIB has been providing technical assistance in the Cook Islands to assess options for relocating key infrastructure, such as the main airport's fuel storage, just between the runway and the ocean.

The aim: to cut the potential impact of an extreme storm.

On the Maldives, the EIB is helping to finance a EUR 175 million project to install solar photovoltaic plants, energy storage systems, more efficient diesel-engine generators and upgraded distribution networks on 160 islands.

To mitigate climate-change impact on the Maldives, with the entire territory less than 5 metres above sea level, the solar systems will be

mounted on structures 3-4 metres high so as not to be affected by sea level rise. They will also be able to withstand hurricane-force winds.

The third pillar of our climate strategy focuses on further integrating climate change considerations across EIB standards, methods and processes.

One example is the EIB's introduction of an emissions performance standard in 2013, which was a first for an international financial institution.

This means that the EIB can only lend to power generation projects where CO2 emissions are below a clearly defined level.

The emission performance standard is set at 550g CO2/kWh which allows financing for renewable energy, biomass and modern gas power plants, but not for unabated coal, lignite or oil fired power stations.

In addition, the EIB applies in its project appraisal work and projections an economic price for carbon dioxide of approximately EUR 33 per ton going up to EUR 120 per ton in 2050.

This is much higher than the current market price (EUR 7) and is a method to account for environmental externalities of projects using fossil fuel and to promote low carbon projects.

We will continue to review and update our standards, methods and processes to be fit for purpose for a more carbon constrained future.

To conclude: this is COP22 and this is where the implementation of the Paris Agreement really needs to happen.

As the Bank of the European Union, the EIB stands ready to work with our partners in government, the private sector and the group of Multilateral Development Banks, to make the Paris Agreement a true success.

Thank you.