

Models of blended finance for low-carbon investments

Mathias Jaeggi
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About us



Our Past: 10 years of Creating Global Impact

80 million+
tCO₂e saved

500+

**projects
developed**

in renewables, forestry,
agriculture, industry
and households

100,000+ GWh
renewable energy produced



70,000
jobs created
in developing countries

15,000+ km²
saved forest from deforestation

55,000+ km²
land protected or restored

\$10 bn+
clean energy investments mobilised
in emerging markets

A faint, light-colored background image of three wind turbines is visible in the bottom right corner of the page.

Developing solutions worldwide



Regional office



Headquarters



Representations

Climate impact/renewable energy projects

Technology Fund Switzerland



www.technologyfund.ch



Technology Fund

GUARANTEES FOR INNOVATIVE CLIMATE PROTECTION



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



Loan Guarantees for SME startups

Climate Protection as overall Target

Instrument: Loan Guarantees to innovative Swiss Companies

Offer of the Technology Fund

The Technology Fund of the Swiss Confederation guarantees loans to Swiss small and medium-sized enterprises whose novel products contribute to a sustainable reduction in greenhouse gas emissions.

Conditions of the Guarantees

- Joint guarantees in the amount of CHF 50'000 to CHF 3 million
- Maximum term: 10 years
- Lenders: Swiss banks or other suitable lenders with a Swiss domicile
- Annual fees of 0.9% of the guaranteed amount.

Four areas of eligible Technologies



Reduction of greenhouse gas emissions



Efficient utilization of electrical energy



Promotion of renewable energies

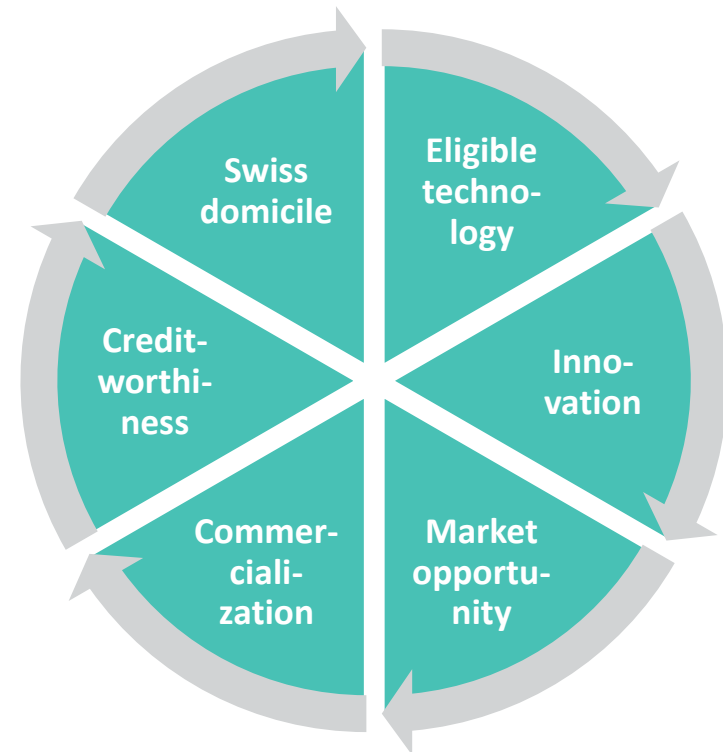


Conservation of natural resources

Sizeable Market Opportunity

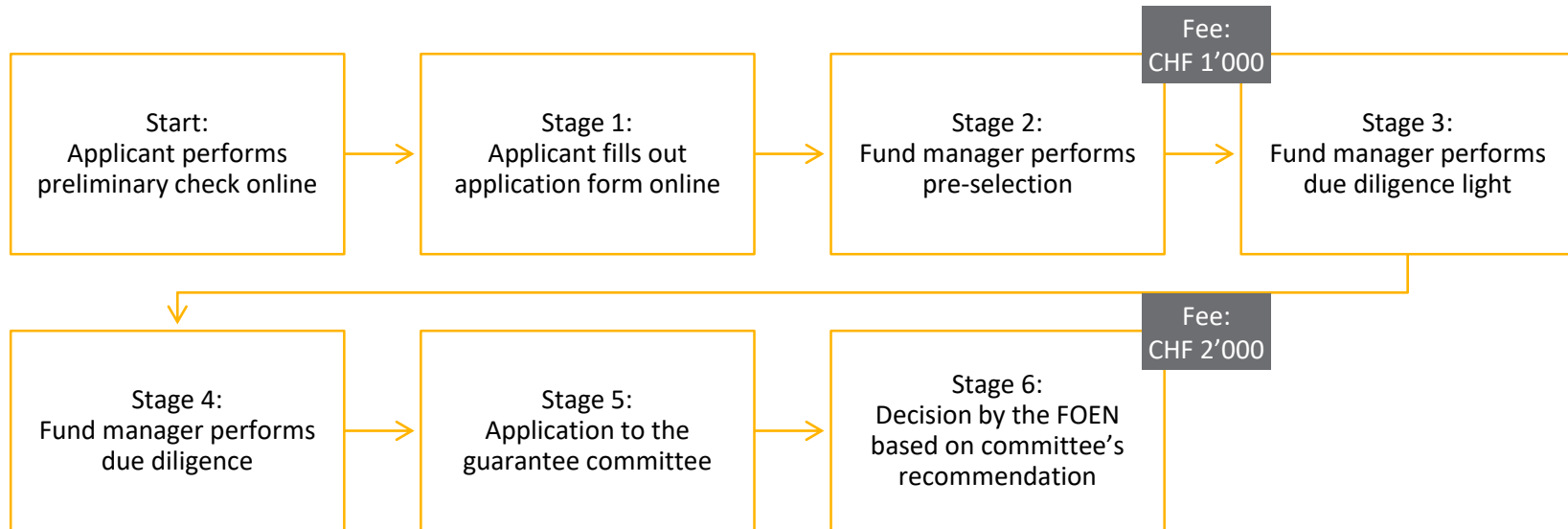
Most important Criteria:

- Product or process in one of the four areas of eligible technologies
- Product or process is innovative and has reasonable chances to succeed in the market
- The applicant has a market-ready prototype – and ideally has already realized sales
- The project cannot be carried out without the loan guarantee
- The applicant is creditworthy and domiciled in Switzerland (possibly a subsidiary of an international group)
- The lender has a Swiss domicile.



Online Application

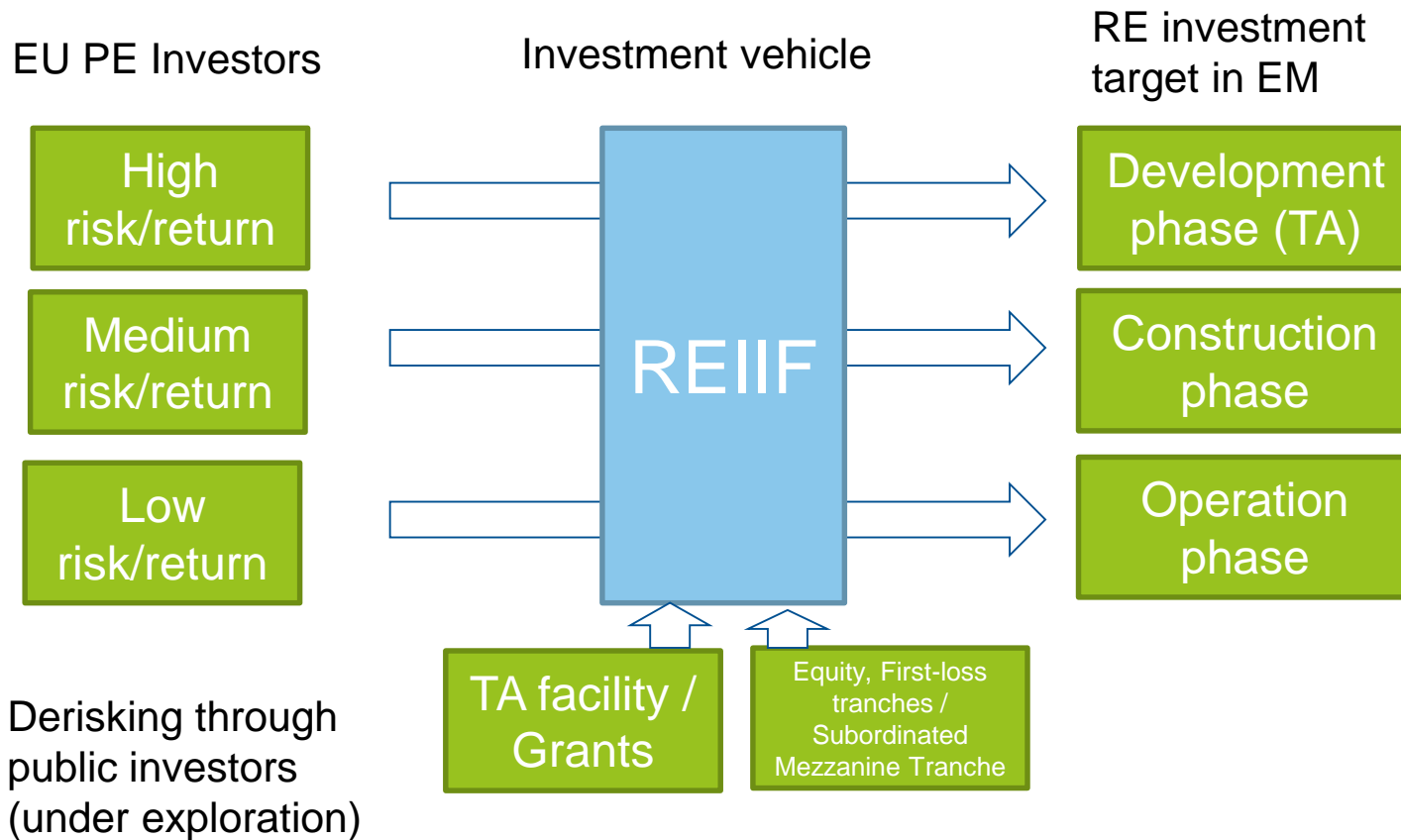
Staged Due Diligence Process for all Applications



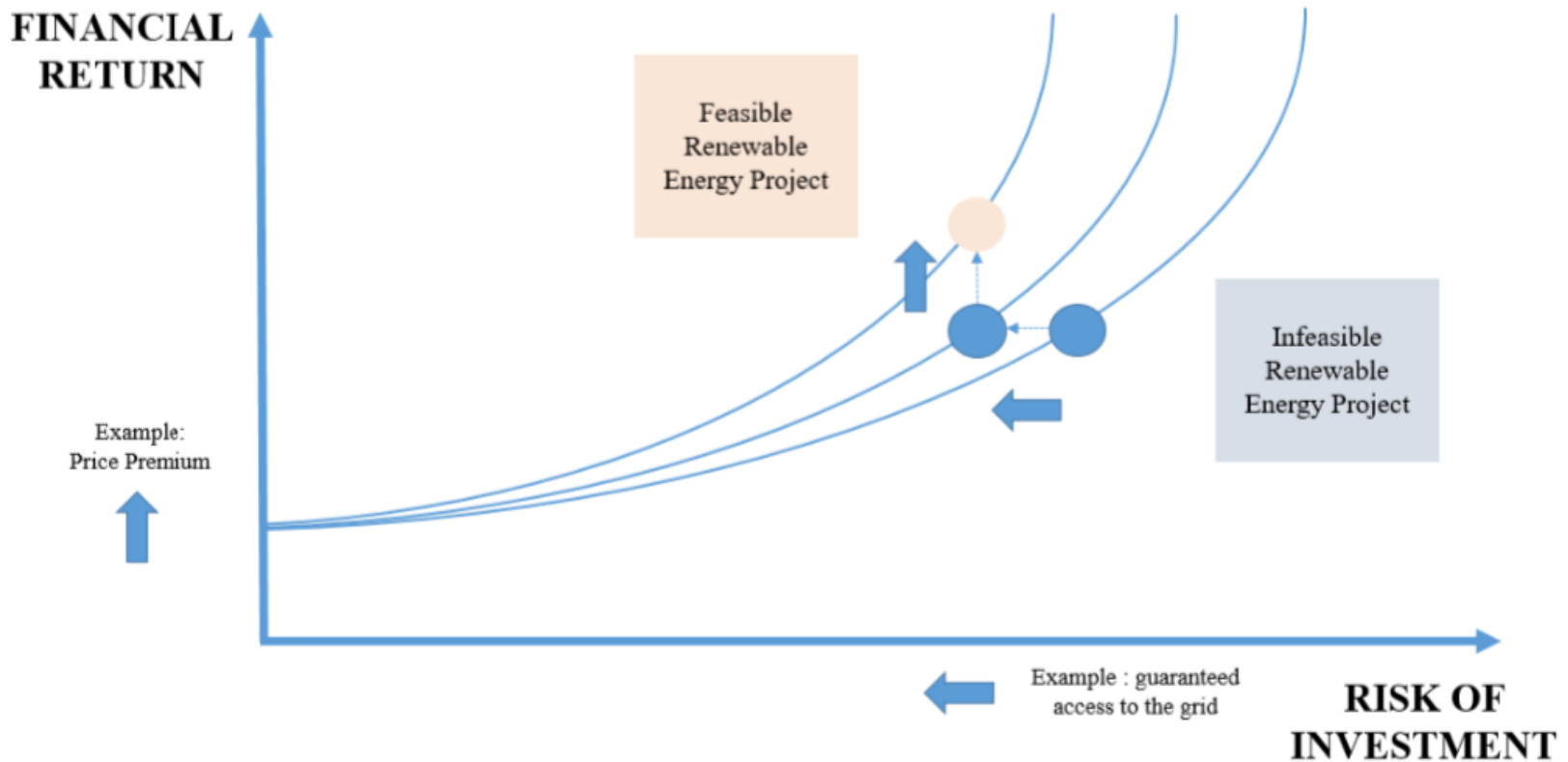
Renewable Energy Impact Investment Facility, Asia



Renewable Energy Impact Investment Facility, Asia (REIIF)



Enable private investments through derisking and improving financial returns of RE projects in EM



Key features

Fund type	Construction/Operation equity fund of which some funds allocated in pre-construction phase
Fund size	250m USD
Technology	Primarily solar PV, run-off river hydro, on-shore wind (country specific)
Geographical area	South East Asia
Target equity investment ticket size	5m USD – 30m USD
Third party financing	Fund average 50% debt, whereas single projects can have a higher debt level. In addition, anticipated derisking for private investors with public finance tools: blended finance and technical assistance facilities.
Funds lifetime	10 years

Contacts

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Offices worldwide

Addis Ababa, Bangkok, Beijing, Hanoi, Hong Kong,
Jakarta, London, Medellín, Melbourne, Mexico City,
New Delhi, Stockholm, Sydney, Zurich

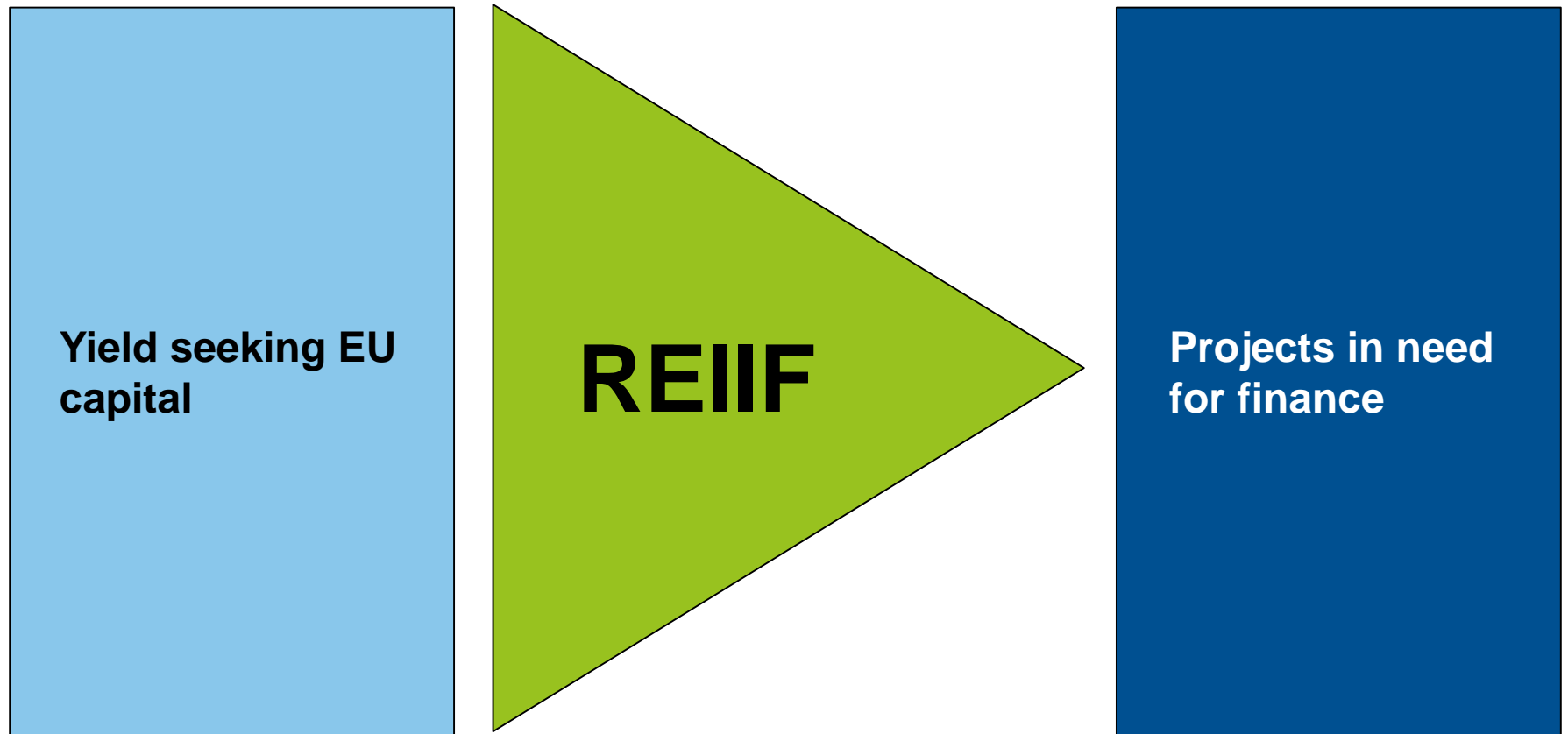


Q&A, Discussion

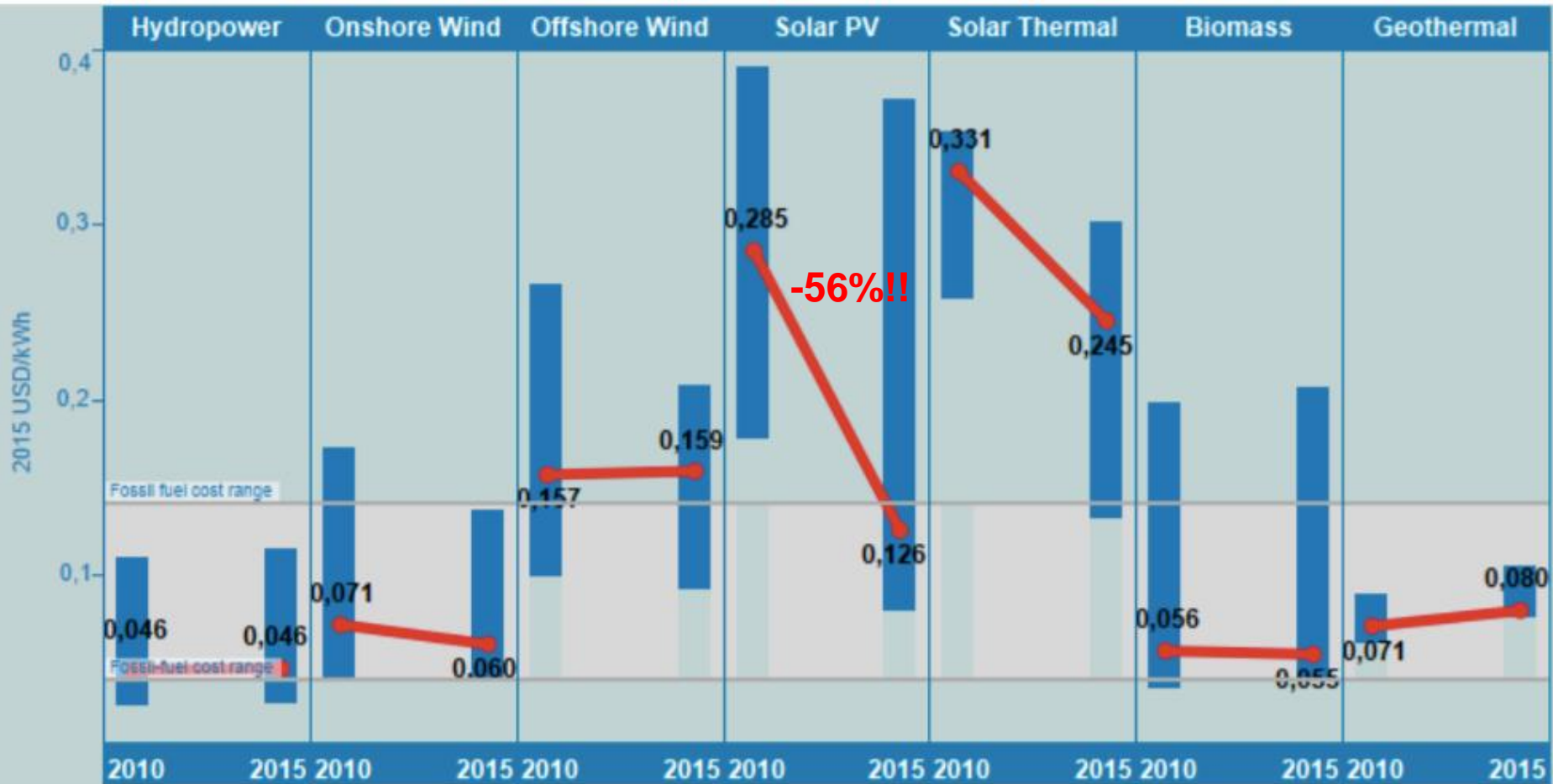
Annex



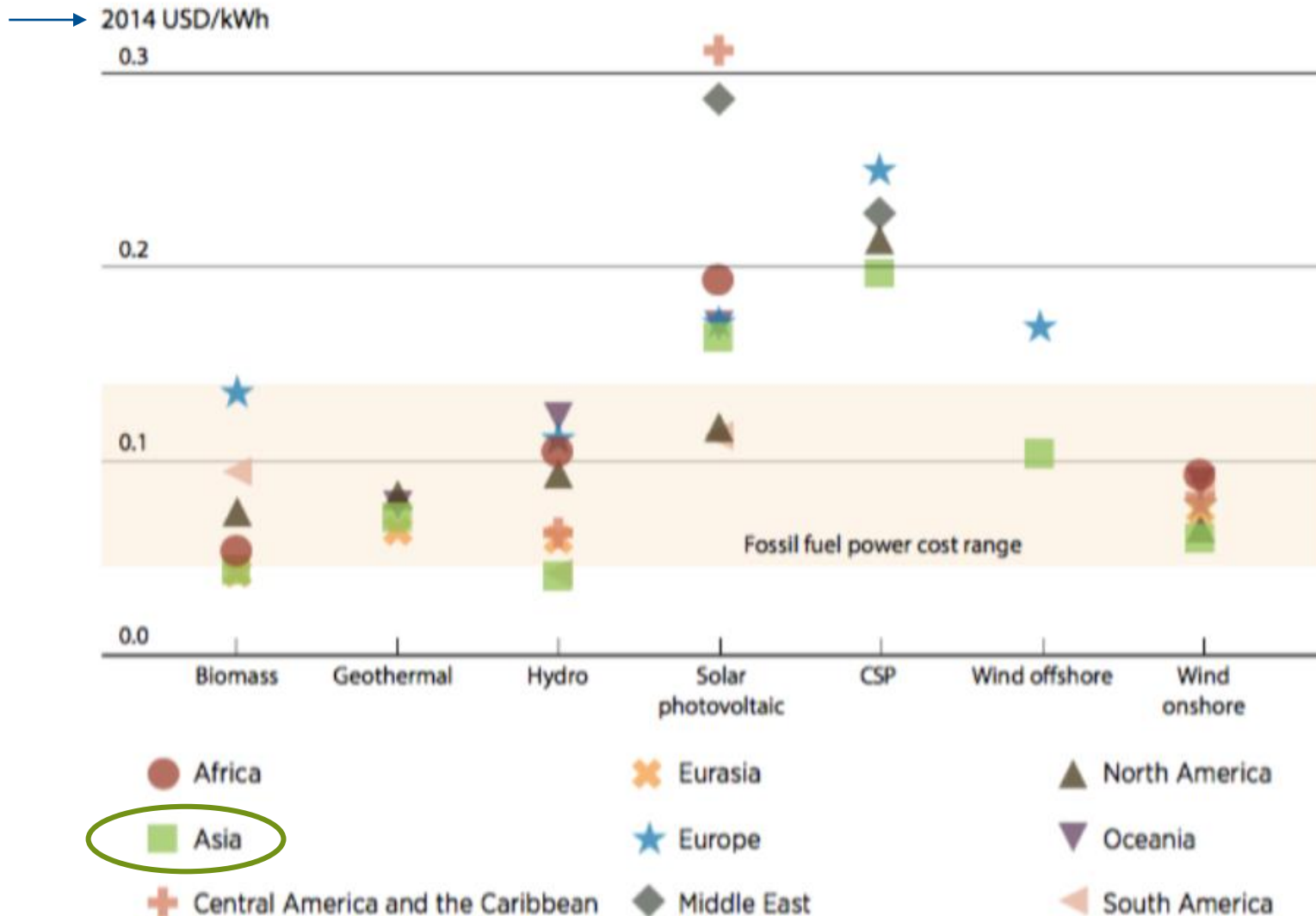
Bridging the gap



LCOE of solar PV first year below fossil fuel cost range

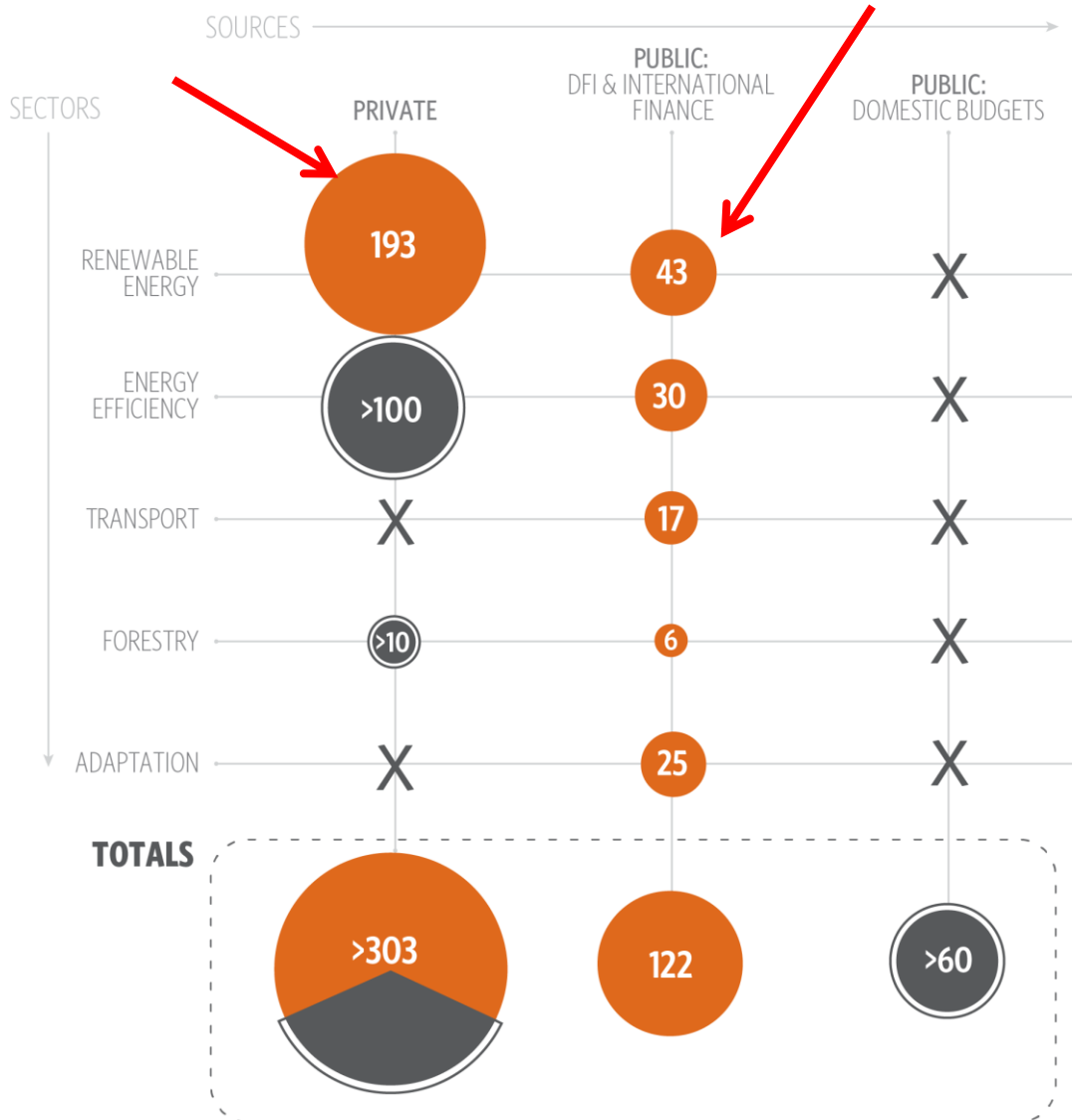


LCOE for RE in Asia competitive to fossil fuels, especially on island states



Source: IRENA 2015

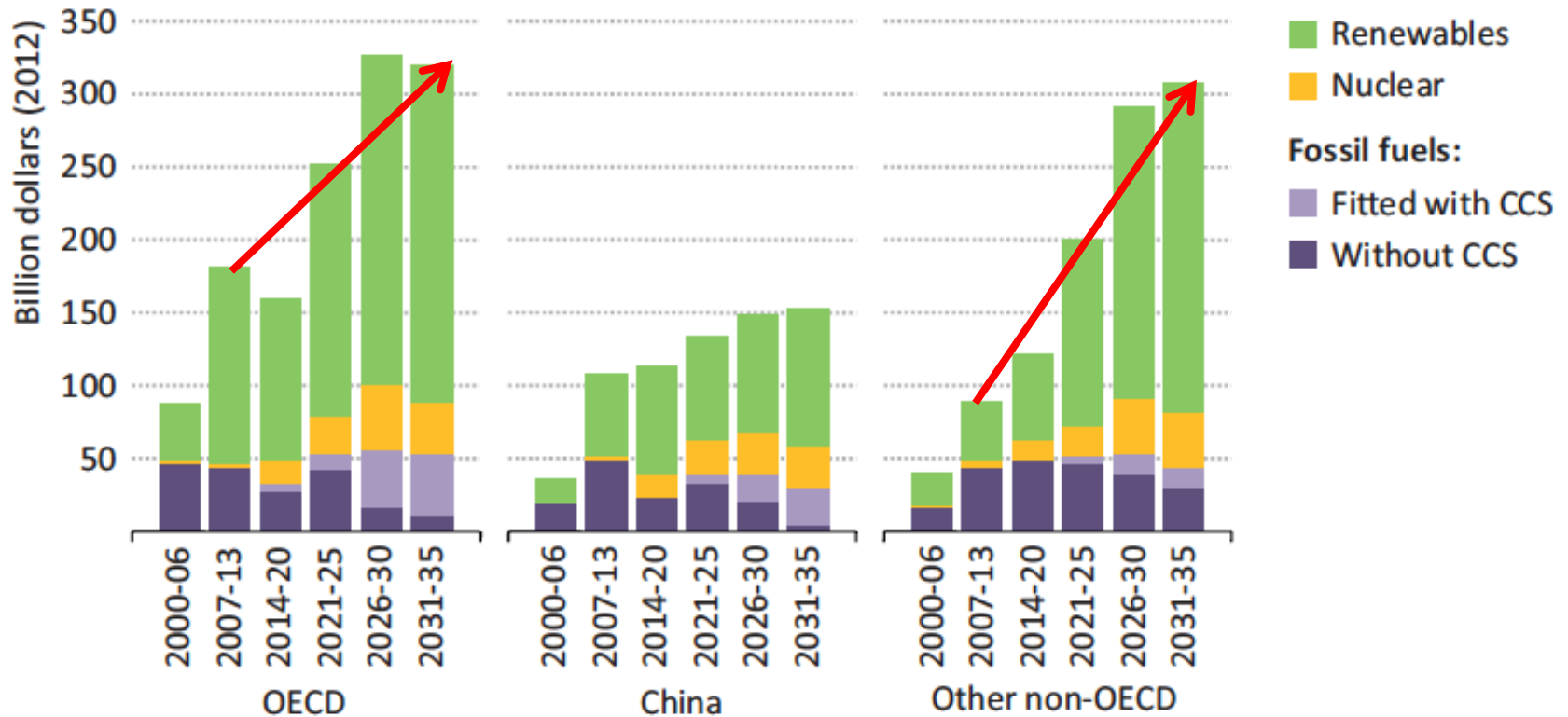
Renewable Energy : core area for low-carbon investments already today



Source: Buchner, Stadelmann et al. 2014

Renewable Energy Investments in non-OECD countries: key area of growth under 2C

Figure 3.23 ▶ Average annual investment in power plants by type in the 450 Scenario



Continuously growing policy support for RE

