

**Briefing Note Sixteen<sup>1</sup>**  
**Summary of Canada's Six Special MDB Funds for Climate Finance**  
**(July 2022)**

**A. Summary Data**

**A1, Total Disbursed / Adaptation - Mitigation**

<b>MDB Fund</b> (Millions of Canadian Dollars)	<b>Total Committed</b>	<b>Total Disbursed</b>	<b>Share Disbursed</b>	<b>Adaptation</b>	<b>Mitigation</b>
ADB - Canada Climate Fund for the Private Sector II	\$200.0	\$187.6	94%	0%	100%
World Bank IFC - Canada- IFC Blended Climate Finance Program	\$250.0	\$104.6	42%	6%	94%
World Bank IFC - Canada IFC Renewable Energy Program for Africa	\$150.0	\$43.8	29%	0%	100%
IADB - Canadian Climate Fund for the Private Sector in the Americas (C2F)	\$222.8	\$127.0	57%	41%	59%
World Bank - Canada-World Bank Clean Energy and Forest Climate Facility (CCEFCF)	\$400.0	\$50.4	13%	10% Estimate	90% Estimate
Africa Development Bank - Canada-African Development Bank Climate Fund (CACF)	\$122.5	0	0%	40% Estimate	60% Estimate
<b>Six Fund Total</b>	<b>\$1,345.3*</b>	<b>\$514.6</b>	<b>38%</b>	<b>17%**</b>	<b>83%</b>

\* Not including \$20 million for Technical Assistance

\*\* Adaptation projects disbursed as percentage of total disbursements.

**A2, Allocations to Country Income Groups**

<b>MDB Fund</b> (Share of Disbursed)	<b>Total Disbursed</b>	<b>LDCs</b>	<b>LMICs</b>	<b>UMICs</b>
ADB - Canada Climate Fund for the Private Sector II	\$187.6	29%	71%	0%
World Bank IFC - Canada- IFC Blended Climate Finance Program	\$104.6	5%	30%	65%
World Bank IFC - Canada IFC Renewable Energy Program for Africa	\$43.8	0%	29%	71%
IADB - Canadian Climate Fund for the Private Sector in the Americas (C2F)	\$127.0	0%	23%	77%
World Bank - Canada-World Bank Clean Energy and Forest Climate Facility (CCEFCF)	\$50.4	36%	17%	47%
Africa Development Bank - Canada-African Development Bank Climate Fund (CACF)	0	0%	0%	0%
<b>Six Fund Total</b>	<b>\$514.6</b>	<b>15%</b>	<b>42%</b>	<b>43%</b>

<sup>1</sup> This Briefing Note was research and written by Brian Tomlinson, AidWatch Canada, in July 2022. It has been prepared on behalf of the [Canadian CSO Coalition on Climate Change and Development \(C4D\)](#).

### A3, Allocation to Sectors

<b>MDB Fund</b> (Millions Cdn\$ / Share of Fund Disbursed)	<b>Renewable Energy</b>	<b>Energy Efficiency</b>	<b>SMEs</b>	<b>Agriculture / Agro-Forestry</b>	<b>Total</b>
ADB - Canada Climate Fund for the Private Sector II	\$115.1 (61%)	\$72.5 (39%)			<b>\$187.6</b>
World Bank IFC - Canada- IFC Blended Climate Finance Program	\$60.5 (58%)	\$18.8 (18%)	\$18.8 (18%)	\$6.6 (6%)	<b>\$104.7</b>
World Bank IFC - Canada IFC Renewable Energy Program for Africa	\$43.8 (100%)				<b>\$43.8</b>
IADB - Canadian Climate Fund for the Private Sector in the Americas (C2F)	\$58.3 (46%)	\$16.1 (13%)	\$37.2 (29%)	\$15.5 (12%)	<b>\$127.1</b>
World Bank - Canada-World Bank Clean Energy and Forest Climate Facility (CCEFCF)	\$10.9 (22%)		\$21.3 (42%)	\$18.2 (36%)	<b>\$50.4</b>
Africa Development Bank - Canada-African Development Bank Climate Fund (CACF)					<b>\$0</b>
<b>Six Fund Total</b>	<b>\$288.6</b> <b>(56%)</b>	<b>\$107.4</b> <b>(21%)</b>	<b>\$77.3</b> <b>(15%)</b>	<b>\$33.7</b> <b>(7%)</b>	<b>\$513.6</b>

## B. Asian Development Bank - Canada Climate Fund for the Private Sector II

Established in March 2017, the Canadian Climate Fund for the Private Sector in Asia II is a Cdn\$200 million fund (US\$160 million) designed to support greater private sector participation in climate change mitigation and adaptation in low and lower middle-income countries and upper middle-income small island developing states in Asia and the Pacific. It provides concessional loans to enable private sector investment in climate mitigation or adaptation.

<https://www.adb.org/what-we-do/funds/canadian-climate-fund-for-the-private-sector-in-asia-2>

Projects (June 2022):

- 1. Afghanistan – Kandahar Solar Power Project:** The proposed project will include development, construction, commissioning and operation of a 15.1 MW solar power plant in Kandahar, Afghanistan. The project has not caused any physical or economic displacement impacts. The land for the project is leased to 77Afg rent-free by Da Afghanistan Breshna Sherkat (DABS) per the terms of a power purchase agreement. Key concerns expressed during the consultation are access to electricity, work and education opportunities.  
Mitigation                      Fund Commitment: US \$3.85 million
- 2. Indonesia – Eastern Indonesia Renewable Energy Project (Phase I):** Phase 1 of the project will construct, operate and maintain a 72 MW wind power plant in Jeneponto (South Sulawesi).  
Mitigation                      Fund Commitment: US\$8.1 million (US\$30 million for Phase I and II)
- 3. Indonesia - Eastern Indonesia Renewable Energy Project (Phase II):** Phase 2 of the project will construct, operate and maintain a 21 MW solar power plant in Likupang (North Sulawesi) and three 7 MW solar power plants, in Pringgabaya, Selong, and Sengkol (Lombok, West Nusa Tenggara). The concessional financing from the Canadian Climate Fund for the Private Sector in Asia II (CFPS II) was needed to assist with implementation of the first utility scale solar power projects in Indonesia and to help the project sponsors to address its first mover costs and disadvantages as well as overcome various technical and regulatory challenges.  
Mitigation                      Fund Commitment: US\$21.9 million (US\$30 million for Phase I and II)
- 4. Nepal - Upper Trishuli-1 Hydropower Project:** The project comprises the design, construction, commissioning, operation and maintenance of a 216 MW run-of-river hydro power plant, 1.2 kilometers of transmission lines, and associated infrastructure on the Trishuli River. The electricity generated will be sold for domestic consumption to the Nepal Electricity Authority. Establishing the project results in direct impacts on the land and natural resources of 154 families, of whom, ethnically, more than 90% are Tamang and less than 5% are Gurung. Both ethnicities are recognized under the Constitution of Nepal as indigenous nationalities, or Adivasi Janajati. The project impacts on indigenous people include the acquisition of community forest user group land and water resources for commercial development and the limited relocation of indigenous people families, both of which trigger broad community support (BCS) under the ADB Safeguard Policy Statement (2009) (SPS). Nepal’s preeminent indigenous peoples’ organization and an international indigenous peoples expert, were engaged to facilitate the BCS process on behalf of the sponsors. They mobilized the federations Tamang speaking national and district chapters to work with affected communities during the BCS process.  
Mitigation                      Fund Commitment: US\$30 million.

- 5. Viet Nam – Floating Solar Project:** The project entails the Asian Development Bank (ADB) providing financing to DHD to install 47.5 megawatt peak (MWp) of floating solar photovoltaic (PV) power generation panels, on the man-made reservoir of its existing 175 megawatt (MW) Da Mi hydro power plant.

Mitigation Fund Commitment: US\$11 million.

- 6. Bangladesh – Spectra Solar Power Project:** The project consists of a 35-megawatt (net) grid connected solar power plant in Paturia, Shibaloy, Manikgonj, located approximately 85 kilometers west of Dhaka. Bangladesh aims to increase the share of renewable energy in the total generation capacity to 10% by 2021. However, the renewable energy initiatives have faced challenges in their implementation. This project is expected to establish bankable precedents intended to catalyze further private sector participation in Bangladesh's renewable energy sector.

Mitigation Fund Commitment: \$US5 million

- 7. Cambodia – Prime Road National Solar Park Project:** The project finance loan will support Prime Road Alternative (Cambodia) Co. Ltd to develop and operate a 60-megawatt alternating current (MWac) solar photovoltaic (PV) power plant in Kampong Chhnang Province, Cambodia. The Project will contribute to the establishment of the first phase of the planned 100 MWac Cambodian National Solar Park Project. Power plant land was formerly used for commercial cassava plantation and there are no villages within 5 kilometers. Direct beneficiaries are therefore land sellers, village community members that may access employment opportunities and EDC as off taker of electricity produced. The project has a gender action plan, but all performance indicators, targets and baselines are deleted as “confidential information”.

Mitigation Fund Commitment: \$US4.2 million

- 8. Uzbekistan – Navio Solar Power Project:** The project consists of a 100-megawatt grid connected solar power plant in Navoi District, Uzbekistan. \_Nur Navoi Solar\_ Foreign Enterprise (NNS), a Limited Liability Company is the borrower for the loan and will build, own, and operate the project. Masdar is the sponsor of NNS. The project Power Purchase Agreement was signed with JSC National Electric Grid of Uzbekistan in 2019. This project is expected to establish bankable precedents intended to catalyze further private sector participation in Uzbekistan's renewable energy sector. The borrower will lease 264 hectares of land for a nominal fee from the government per the Power Purchase Agreement. The area of state land was previously leased by two farmers for grazing activity. Their overall lease holding areas were reportedly reduced by the government prior to the project.

Mitigation Fund Commitment: \$US8 million

- 9. India -- IIFLHF Supporting Access to Affordable Green Housing for Women Project:** Senior secured debt financing of up to \$58,000,000 (in Indian rupee equivalent) to IIFL Home Finance Limited (IIFLHF) and administration of a loan of up to \$10,000,000 in Indian rupee equivalent to IIFLHF to be provided by the Canadian Climate Fund for the Private Sector in Asia (CFPS) for the Supporting Access to Affordable Green Housing for Women Project in India. IIFLHF provides housing loans to women borrowers in economically weaker sections and low-income groups, of which 20% will be toward financing green-certified homes in Tier 2 and Tier 3 cities. Concessional financing from the CFPS of up to \$10,000,000 in Indian rupee equivalent will be on lent to qualified developers for the construction of green-certified, climate-resilient affordable housing through blended finance in a ratio of up to 40:60 (CFPS:IIFLHFs own funds).

Mitigation Funding Commitment: US\$58.0

## C. World Bank, IFC - Canada- IFC Blended Climate Finance Program

Established June 2018, the Canada-IFC Blended Climate Finance Program involves a contribution of Cdn\$250 million (US\$200 million) from the government of Canada. IFC will use these funds to mitigate risks deterring private investment in key areas such as resilient infrastructure, climate-smart agriculture, and renewable energy. This financing, when blended with IFC's own investments, will mobilize private capital to help overcome the challenge of climate change.

[https://www.ifc.org/wps/wcm/connect/10f07019-0f89-415c-a821-b5b4086cf797/BlendedFinance\\_Canada\\_vREDACTED\\_4.pdf?MOD=AJPERES&CVID=n22QZbn](https://www.ifc.org/wps/wcm/connect/10f07019-0f89-415c-a821-b5b4086cf797/BlendedFinance_Canada_vREDACTED_4.pdf?MOD=AJPERES&CVID=n22QZbn)

Project information through the 2019 Implementation Progress Report up to June 2019, but no current project data is available from GAC or the IFC.

The 2019 Implementation Progress Report states the following:

“The length of time for a project to move through this process may vary significantly, ... In general, the project cycle time is rarely less than six months (even for FI projects), but some projects may take in excess of two to five years, depending on the complexity of the deal and requirements of the parties involved. In challenging political environments, projects receiving concessional financing may require additional time to appraise and structure.” (page 11)

Projects (July 2022, IFC Project and Data Portal)

<https://disclosures.ifc.org/enterprise-search-results-home/%22Canada%20IFC%20Renewable%20Energy%20Program%20for%20Africa%22>

- 1. Sri Lanka – Alliance Finance and Central Finance Corp Loan:** The funding will support the expansion of Alliance's MSME portfolio related to the agriculture sector, with an emphasis on financing climate-smart agriculture solutions and women-owned enterprises. Central Finance Corp Loan: The Central Finance Corp funding will support the expansion of CF's MSME portfolio in the agriculture sector, with an emphasis on financing climate-smart agriculture solutions and women-owned enterprises.  
Adaptation                      Fund Commitment: US\$5.3 million
- 2. Serbia – Belgrade Waste-to-Energy:** The proposed project includes i) construction and operation of a 340,000 tons p.a.(tpa) Waste-to-Energy (WtE) Facility with connection to electricity and heating distribution systems, ii) closing and remediation of the existing Vinca landfill, iii) building and operation of a new EU compliant sanitary landfill for 170,000 tpa, and iv) building and operation of a 200,000 tpa Construction and Demolition Waste (CDW) Facility by Beo Cista Energija d.o.o (the “SPV”) in Belgrade, Serbia.  
Mitigation                      Fund Commitment: US\$24.4 million
- 3. Cambodia – Kampong Solar:** The Project consists of a 60 MW solar power plant located in Cambodia's Kampong Chhnang province and is the first phase of the 100 MW solar park planned by the Government of Cambodia. The Project is expected to become operational by June 2022 and will sell electricity to Electricite du Cambodge (Cambodia's state-owned power utility), pursuant to a 20-year PPA. The Project will be developed by a special purpose vehicle named Prime Road Alternative (Cambodia) Co., Ltd (PRAC). Prime Road Alternative Company Limited (PRA) is the Project Sponsor.

PRA is 99.99% owned by Prime Road Power Public Company Limited (PRIME), a listed company on the Stock Exchange of Thailand.

Mitigation Fund Contribution: US\$4 million

4. **Mexico – BBVA Leasing Mexico:** Support to [BBVA Leasing Mexico](#), a leading provider of vehicle and machinery leases, to help the company expand its product offerings to small and medium enterprises (SMEs) and is designed to support the economic recovery from the Covid-19 health crisis. Up to \$40 million will be dedicated to leasing “climate-smart” equipment.

Mitigation Fund Commitment: US\$15 million

5. **Mexico – Neolpharma:** Grupo Neolpharma (the “Company”) is a Mexico-based, family-owned, pharmaceutical company focused on the development, manufacture, distribution and sale of branded and unbranded generic medicines. The proposed IFC’s financing aims to support Grupo Neolpharma’s expansion plan which includes the construction and equipment of a new injectables facility in Mexico City (Psicofarma DN), expansion of the existing API production plant (NeoSymb) in Ecatepec, Mexico, climate related projects (clean energy utilizing new cogeneration units on three of the production plants) and other expenditures associated with Neolpharma’s expansion plan. Neolpharma has implemented some basic initiatives on resource efficiency (e.g. change of lighting systems, improvement of HVAC system, etc.) and has over time replaced equipment such as back-up generators and boilers to more efficient ones. In addition to reduce the electricity consumption, the Company uses natural gas for its boilers to support its energy demand.

Mitigation Fund Commitment: US\$15 million

6. **Uzbekistan – UZ Scaling Solar:** The proposed investment involves providing long term debt financing for construction and operation of 100MW solar photovoltaic (“PV”) plant located in Navoi, Uzbekistan. The Project is undertaken by Nur Navoi Solar Foreign Enterprise LLC, a limited liability company established in Uzbekistan. The generated electricity will be sold to the National Electric Grid of Uzbekistan under (‘NEGU’) under a 25-year power purchase agreement. The Project is being implemented by Nur Navoi Solar Foreign Enterprise LLC, a special purpose company incorporated in Uzbekistan, wholly owned by Abu Dhabi Future Energy Company PJSC (“Masdar”). Masdar was formed in Abu Dhabi in 2006 as a wholly-owned subsidiary of Mubadala Investment Company (“Mubadala”) to promote renewable energy and sustainable urban development.

Mitigation Fund Commitment: US\$20 million

#### D. World Bank, IFC - Canada IFC Renewable Energy Program for Africa

Launched in January 2018, the Program involves a contribution of 150 million Canadian dollars (US\$120) from the Canadian government. IFC will use these funds to catalyze private sector investment in renewable energy by providing concessional financing blended alongside IFC's own account resources to mitigate a variety of risks that can deter private investment in renewable energy. This is expected to improve access to affordable and sustainable energy services, reduce the dependency on fossil fuels, and bring African countries a step closer to accomplishing their sustainable development goals.

[https://www.ifc.org/wps/wcm/connect/45968e92-3719-48b6-91ab-0815f20cfaf6/Canada\\_Africa\\_REDACTEDv\\_4.pdf?MOD=AJPERES&CVID=n22Rsdu](https://www.ifc.org/wps/wcm/connect/45968e92-3719-48b6-91ab-0815f20cfaf6/Canada_Africa_REDACTEDv_4.pdf?MOD=AJPERES&CVID=n22Rsdu)

The *2019 Implementation Progress Report*, provides a very negative prognosis for allocation of these funds for renewable energy projects in Africa in blending relationships with the private sector:

“While many governments indicated their ambitious plans to stimulate the development or RE [Renewable Energy] components in their energy systems, not many have undertaken the necessary steps for creating the minimal required conditions for the private sector projects to take off. And those that have, see remarkably long gestation times and significant head winds to projects crossing the finish line.”

“Countries in SSA typically represent complex and challenging settings, with numerous barriers to private sector investment including perceptions of risk, regulatory barriers, economic instability, macro risks, weak financial systems, and many others. Often there is limited government capacity to support projects on a technical or finance level.”

“This observed lead-time for renewables is consistent with upstream requirements necessary for financing real sector, greenfield projects, such as negotiation of power purchase agreements, land right acquisition, environmental and social due diligence and complex investor agreements, among others. ... Even projects considered to be “fast movers” take around three years, and that number could go up depending on the level of complexity and country conditions.”

“In sum, while developing a portfolio, an ongoing assessment of the possible trade-offs between development impact and the required return on investments is required. There is a limited amount of concessionality that can be delivered to the project through available financial instruments and under the returnable capital framework.”

“[T]he type of concessionality delivered by the Africa Program funds — namely, risk-averse, limited subsidy level, returnable capital — might be incompatible or take additional time to find the right projects.” (pages 14-15)

Projects (June 2022, IFC Project and Data Portal)

<https://disclosures.ifc.org/enterprise-search-results-home/%22Canada%20IFC%20Renewable%20Energy%20Program%20for%20Africa%22>

1. **Gabon - Kinguélé Aval Hydro:** The Kinguélé Aval hydroelectric power plant is a proposed greenfield run-of-river 34.5 MW hydropower project which will have an average annual power production of circa 200 GWh. It will be located on the River Mbé, in the northwest of Gabon, about 90 km east of

Libreville. Construction is expected to start in Q4 of 2020, with commissioning planned for 39 months later. The Project benefits from the full support of the Republic of Gabon which signed and granted the 30-year concession to the Project Company. The power generated by the Project will be purchased by the Republic of Gabon through a Power Purchase Agreement.

Mitigation                      Fund Contribution: \$US25 million

2. **Nigeria – Daystar Power:** Daybreak Power Solutions is a 100% owned subsidiary of Daystar Power Group (“Daystar Group”). Daybreak provides clean, competitive and reliable solar hybrid solutions to commercial and industrial customers (“C&I”) who are receiving poor supply from the country’s grid infrastructure and/or heavily reliant on diesel for generation. Daybreak’s business model is to achieve a energy cost saving for its C&I customers primarily via the displacement of diesel generation with solar and battery-based solutions.

Mitigation                      Fund Contribution: US\$10 million



## E. Inter American Development Bank (IADB) - Canadian Climate Fund for the Private Sector in the Americas (C2F)

Launched in April 2019, the Canadian Climate Fund for the Private sector in the Americas aims to finance private sector climate mitigation and adaptation projects in Latin America and the Caribbean that need concessional financing to become viable projects. The Fund, initiated by a \$223 million (US\$180 million) contribution from the government of Canada seeks to mobilize private investment and stimulate economic growth, and will provide financing to projects focused on renewal energy, energy efficiency, and reducing greenhouse emissions and climate change vulnerabilities.

### Projects (June 2022)

Projects are managed by IDB Invest: <https://www.idbinvest.org/en/canadian-climate-fund>  
<https://www.idbinvest.org/en/download/publication/57223/attachment/16519>  
<https://www.idbinvest.org/en/download/16517>  
<https://www.idbinvest.org/en/news-media/news-archive>

Total Allocated: US\$105.5 million (57% allocated)

- 1. Brazil – Sicredi Solar Energy:** Part of IADB’s loan for the equivalent of \$110 million to Banco Cooperativo Sicredi S.A. (Sicredi). The funds will promote access to financing for small-scale photovoltaic solar energy systems, supporting the growth of Sicredi's solar portfolio and contributing to the expansion of distributed generation of photovoltaic solar energy in the Brazilian market.  
Mitigation                      Fund Commitment: US\$10 million.
- 2. Brazil – Jacaranda Bifacial Photovoltaic Plants:** DB Invest, a member of the IDB Group, provided financing equivalent to \$67.2 million, with a tenor of 14.8 years, for the design, construction, operation and maintenance of four bifacial photovoltaic plants, with a combined capacity of 187 MW. The Jacaranda project will be developed by four special-purpose entities established in Brazil, which belong to subsidiaries owned by the company Atlas Renewable Energy.  
Mitigation                      Fund Commitment: US\$7.5 million
- 3. Brazil - Minas Gerais Bifacial Photovoltaic Plants:** IDB Invest, a member of the IDB Group, granted \$150 million worth of financing to subsidiaries of Atlas Renewable Energy for the design, construction, commissioning and operation of six bifacial photovoltaic plants, with a combined capacity of 359 MW, located in Pirapora, in the state of Minas Gerais in Brazil. Lar do Sol - Casablanca will supply the energy generated to Brazilian subsidiaries of Anglo American, a British multinational mining company.  
Mitigation                      Fund Commitment: US\$5 million
- 4. Mexico – Bright Distributed Generation Solar:** IDB Invest, a member of the IDB Group, provided financing in Mexican pesos for the equivalent of \$15 million to Bright Mexico Solar Holdings II, a subsidiary of Bright Exchange SAPI de CV (Bright), to develop a portfolio of residential photovoltaic solar energy projects. The deal will support the growth of the distributed solar generation market in Mexico with Bright, the leading residential solar company in the country. The financing will accelerate the deployment of a portfolio of more than 2,500 residential solar rooftop power systems, with a generation capacity of over 8MW and producing zero emissions. It is expected that approximately 175 GWh of clean energy will be supplied to the power grid and will displace the equivalent of approximately 5,700 tons of carbon dioxide each year.  
Mitigation                      Fund Commitment: US\$5.0 million

5. **Mexico – Xoxocotla:** IDB Invest, a member of the Inter-American Development Bank Group (IDB), provides a financing package of \$17.2 million for the construction and maintenance of the Xoxocotla solar photovoltaic plant, which has a capacity of 70MWAC and is located in the municipality of Ayala, in the state of Morelos, in Mexico. The project is developed by X-Elio, a leading global company specialized in the development, operation and maintenance of photovoltaic solar energy projects.  
Mitigation                      Fund Commitment: US\$3.3 million
  
6. **Nicaragua – Nicaragua Sugar Estates:** This project is to support the transition to a more efficient and sustainable irrigation system in the sugar sector in Nicaragua. The sugar sector is one of the main agribusiness and export sectors in the country. This project enhances adaptation to climate change risks while reducing consumption in water, energy, and fertilizers, through more efficient use of resources and better technology. Canada’s contribution supports the transition of 3,500 hectares to a more sustainable irrigation system (drip and pivotal irrigation), as well as the construction of an 800,000 cubic-meter reservoir to store rainwater and use it in the dry months of the year.  
Adaptation                      Fund Commitment: US\$12.5 million.
  
7. **Ecuador and Panama – Corporacion Favorita, CS:** Part of \$235.5 million IADB financing for Corporación Favorita C.A., the largest self-service chain in Ecuador and one of the largest companies in the country to be used to increase local access to quality products both in Ecuador and Panama, where the company will consolidate its expansion. The financing will be used to support Corporación Favorita in its growth plans to implement new technologies and innovations, optimize production processes, open new locations, generate clean and renewable electricity, and ensure proper management of natural resources and waste. The participation of C2F will contribute toward installing self-consumption photovoltaic solar roofs.  
Mitigation                      Fund Commitment: US\$5.5 million
  
8. **Colombia – Davivienda SME loans:** The funds from these loans will be used to provide new financing for working capital, capital investment and fixed assets to Davivienda clients in the SME and women-led SME portfolios, which have suffered the negative impact of the health and economic crisis generated by the COVID-19 pandemic. The loan also includes a tranche of blended financing from the Canadian Climate Fund for the Private Sector in Latin America and the Caribbean, Phase II (C2F), which is managed by IDB Invest, for \$20 million with a tenor of 7 years. This loan promoting women-led SME, coupled with the strong female representation in Davivienda’s management, qualifies Davivienda for the 2X CHALLENGE, a global initiative that seeks to mobilize capital towards enterprises that benefit women.  
Adaptation                      Fund Commitment: US\$20 million
  
9. **Caribbean - SEAF Caribbean SME Growth Fund:** The SEAF Caribbean SME Growth Fund (the “Fund”) is a private equity vehicle that invests growth capital in fast-growing small and medium-sized enterprises throughout the English-speaking CARICOM countries and Suriname. IDB Invest has also mobilized a USD 10 million blended finance loan to support the Fund’s portfolio companies to implement a broad range of investment projects providing for increased climate resilience/adaptation, climate mitigation, and post-disaster recovery, with support from the Canadian Climate Fund for the Private Sector in the Americas – Phase II.  
Mitigation / Adaptation                      Fund Commitment: US\$10 million

**10. El Salvador – Capella Solar PV Project and Providencia BESS:** IDB will provide two long-term loans to the Capella Solar and Providencia Solar projects operated by Neoen, one of the most dynamic renewable energy producers in the world. The resources will be used to finance two new energy storage batteries for the aforementioned projects and to refinance the existing battery installed in Capella. The deals will improve the stability and safety of the Salvadoran electricity grid, adding 11 MW / 8 MWh in two energy storage batteries providing regulated primary and secondary reserve services at the Capella Solar (140 MWp) and Providencia Solar (101 MWp) projects, located in the departments of Usulután and La Paz, respectively.

Mitigation                      Fund Commitment: US\$6.4 million and US\$4.4 million

**11. Ecuador – Produbanco:** The resources from the placement will be used to finance the post-pandemic recovery of small and medium-sized enterprises (SMEs) in Ecuador. They will also fund green financing with a focus on efficient agricultural technologies, renewable energies, energy efficiency and resource efficiency, among others. This will allow Produbanco to continue advancing in the execution of the commitments and goals of the Banking Alliance for Net Zero Emissions (ABENC).

Mitigation / Adaptation                      Fund Commitment: US\$10 million

**12. Costa Rica – Grupo Guerrero:** IDB Invest is providing a loan of up to \$20 million to the Industrial Park Development Group (“G.D.P.I.”), known as the Green Park Free Zone, a dedicated industrial park and free-trade zone for international companies in Costa Rica. The funds from this deal will be used for the construction and operation of several industrial warehouses, which will increase the availability of space for industrial use for companies with sustainable practices and climate change mitigation. The expansion will be conducted with a sustainable approach, by ensuring that Green Park Free Zone's operations and those of its customers in the park have zero carbon emissions. This will be achieved through the reduction of water use, recycling programs and the efficient use of energy, as well as the use of natural lights.

Mitigation                      Fund Commitment: US\$3 million

### 13. World Bank - Canada-World Bank Clean Energy and Forest Climate Facility (CCEFCF)

<https://www.worldbank.org/en/topic/climatechange/brief/canada-world-bank-clean-energy-and-forests-climate-facility>

Established by Canada in December 2020 with CAD\$400 million in loans and CAD\$10 million in grant contributions, the Facility will support transformational climate actions of World Bank projects, with a focus on Asia's clean energy transition, renewable energy in Small Island Developing States (SIDS), and forests and sustainable land use. Financing from the Facility will:

- Catalyze and scale up clean energy climate financing across multiple sectors
- Accelerate energy efficiency and renewable energy market development
- Promote the mainstreaming of gender considerations in clean energy investments
- Support sustainable landscapes, climate-smart land use, and green supply chains, as well as new financial instruments that promote private sector investment and public-private partnerships

#### The facility has four programs:

- **Energy transition:** CAD\$275 million to co-finance World Bank projects that aim to slow the expansion of coal in the power sector by scaling up low-carbon alternatives (including solar, wind, and geothermal), as well as improve energy efficiency, and grid modernization. Financing will help strengthen the capacity of key institutional actors to design regulatory incentives to boost energy efficiency and markets for renewable energy. Eligible countries: South Africa, Indonesia, Philippines, Vietnam, India and Pakistan
- **Renewable energy in SIDS:** CAD\$50 million to co-finance World Bank projects for renewable energy investments. Eligible Countries: SIDS
- **Forests and landscapes:** CAD\$75 million to co-finance World Bank projects working to reduce carbon emissions from deforestation and forest degradation and to foster conservation, sustainable management, and enhancement of forest resources. Eligible Countries: Fiji, Indonesia, Laos, Vietnam, Colombia, Costa Rica, Dominican Republic, Guatemala, Mexico, Peru
- **Gender equality in the renewable energy sector in SIDS:** CAD\$10 million in grants to provide technical assistance in SIDS to pursue gender equality through women's employment and enterprise development across energy value chains. Eligible Countries: SIDS

#### Projects (June 2022)

1. **Laos – Landscapes and Livelihoods Project:** The development objective of the Lao Landscapes and Livelihoods Project for Lao People's Democratic Republic (PDR) is to promote sustainable forest management, improve protected area management, and enhance livelihoods opportunities in selected landscapes in Lao PDR, including investing in natural wealth and resilience in forest landscapes objective is to build natural capital from improved forest landscape management and livelihoods opportunities from sustainable forest landscapes objective is to improve forest-smart livelihoods opportunities, vocational skills, and nature-based tourism (NBT) development in targeted landscapes.

Mitigation / Adaptation

Fund Commitment: US\$16.0

- 2. Saint Lucia – Renewable Energy Sector Development Project:** The development objective of the Renewable Energy Sector Development Project for Saint Lucia is to inform the Government of Saint Lucia on the viability of its geothermal resource for power generation and strengthen the enabling environment to scale-up clean energy investments with the private sector. The project comprises of two components. The first component, geothermal exploration drilling program will finance following sub-components: (i) exploration management; and (ii) exploration drilling. The second component, capacity building, technical assistance, and market engagement will finance the following sub-components: (i) project implementation support; and (ii) technical assistance, capacity building, and market engagement.

Mitigation                      Fund Commitment: US\$3.7

- 3. Cape Verde – Sustainable Electricity Services Project:** T The development objectives of the Renewable Energy and Improved Utility Performance Project for Cabo Verde are to: (i) increase renewable energy generation; and (ii) improve the performance of the electricity utility in Cabo Verde by leveraging private finance.

Mitigation                      Fund Commitment: \$7.5

- 4. Mexico -- Strengthening Agriculture and Food Systems by Promoting Access to Finance Project:** The proposed Project aims at strengthening sustainable agriculture and food systems by promoting access to finance for productive purposes in rural areas by: (a) expanding access to finance for productive purposes through a credit line intermediated by the Trust Funds for Rural Development (FIRA, for its acronym in Spanish) to rural agro-industrial production units (RAPUs); (b) crowding-in private commercial financing into rural areas; and (c) improving the quality and availability of information and financial instruments for participating financial institutions (PFIs) and RAPUs through the development of a new digital Agri-FinTech Platform.

Adaptation                      Fund Commitment: US\$17.0

#### **14. African Development Bank - Canada-African Development Bank Climate Fund (CACF)**

Announcement: <https://www.afdb.org/en/news-and-events/press-releases/canada-and-african-development-bank-sign-cad-133-million-gender-lens-climate-fund-africa-42833>

In March 2021, Canada signed an agreement with the African Development Bank for a Canada-African Development Bank Climate Fund (CACF). Canada is providing Cdn\$122.5 million concessional loan (US\$104.8 million) and a Cdn\$10 million grant. As a concessional facility, CACF resources will be deployed in innovative low-carbon technologies, renewable energy, climate-smart agriculture, sustainable forestry, water management, and climate-resilience projects. The fund will finance climate change related projects in the African Development Bank's regional member countries, including those that demonstrate a strong gender equality focus. The Cdn\$10 grant will be allocated to complementary technical assistance.

The African Development Bank's financing for climate has increased fourfold from 9% of its total portfolio in 2016, to 36% by 2019, and is on track to achieve its target of 40% of total portfolio by the end of 2021. The Bank has committed to providing \$25 billion in climate financing by 2025.

#### Projects:

As of July 2022, the Principal Climate Finance Officer for this Fund at the African Development Bank reported that the Fund "is not yet operational in accordance with the Arrangement Establishing CACF signed between Global Affairs Canada and AfDB."