

Austrian Climate Change Workshop 2017

The Role of GIZ in Green Finance

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GIZ in a Nutshell

- GIZ is a German state-owned, non-profit **federal enterprise** incorporated under private law.
- GIZ is a **service provider** to the German government in the fields of international cooperation and international education since 1975.
- The German government can directly award contracts to GIZ in the framework of non-profit technical cooperation activities. The Ministry of Economic Cooperation and Development (BMZ) is the largest client for GIZ (79% of the business volume).
- The HQ of GIZ is located in Eschborn an Bonn. Worldwide GIZ has operations in **130 countries**.
- GIZ has a staff of **17.319 employees** (as per 31.12.2015), of which 70% is national personell



Strategic Alliance between GIZ and SEB on Green Bonds

- Launched in April 2016 with the Swedish bank **Skandinaviska Enskilda Banken (SEB)**
- Funded through the **develoPPP.de** programme
- Objective is to promote green bond markets in **Brazil, China, India and Mexico**
- Activities include standard setting and facilitating dialogue between issuers, investors and regulators
- Partners:





Africa-EU Renewable Energy Cooperation Programme (RECP)

- European multi-donor programme promoting **RE market development and investment in Africa**
- Implemented by the **EU Energy Initiative Partnership Dialogue Facility (EUEI PDF)**
- Components include a) Policy Advisory, b) Private Sector Cooperation, c) **Access to Finance** and c) Capacity Building





Financing Energy for Low-Carbon Investments – Cities Advisory Facility (FELICITY)

- Funded by the **International Climate Initiative (IKI)**
- Implemented by GIZ in **partnership with EIB**, duration 2017 – 2019
- Target countries include **Brazil, China and Mexico**
- GIZ provides **Technical Assistance**: pre-investment capacity development and project preparation for cities, improvement of the enabling environment
- EIB provides **debt funding** in the form of credit lines
- Set-up of an **Competence Center for Urban Climate Finance**



Costa Rica Low Carbon Coffee NAMA

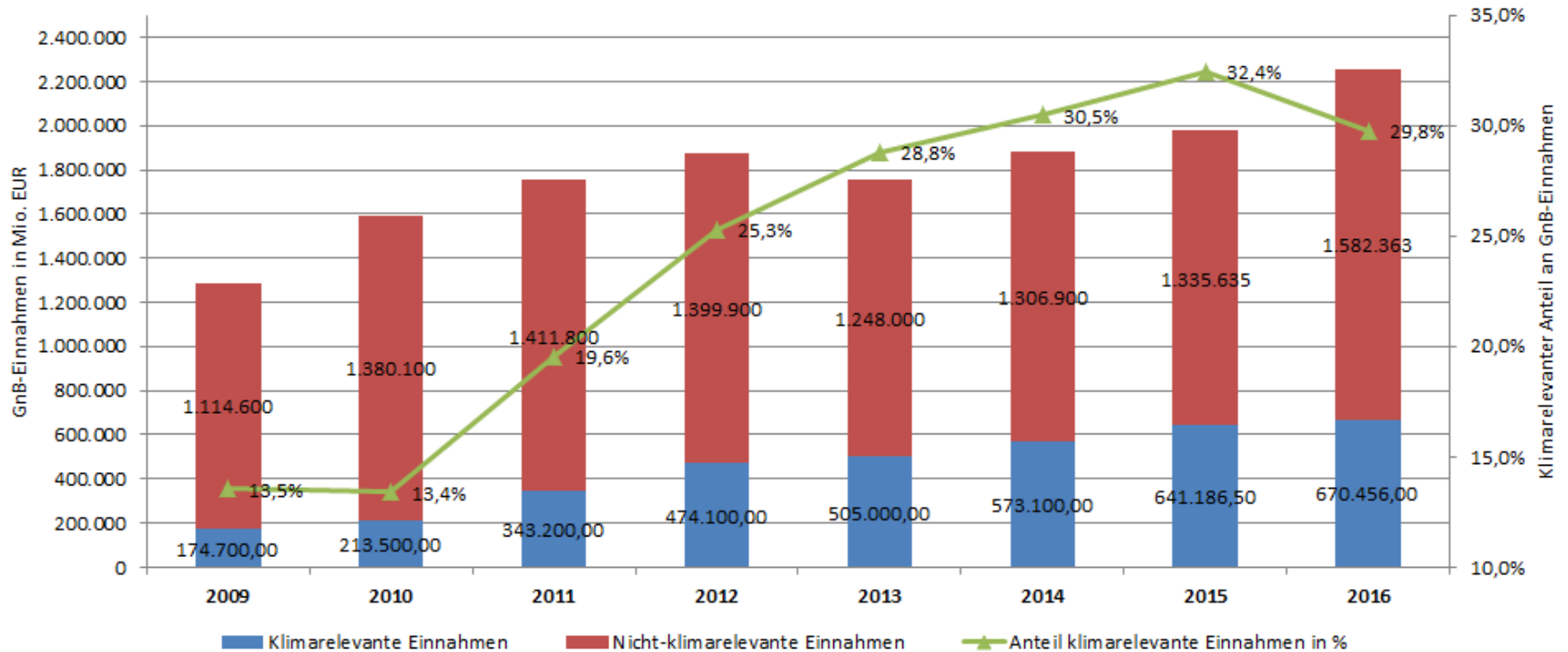
- NAMA Support Projects (NSP), funded by the **NAMA Facility** (7 Mio. EUR)
- Implemented by GIZ in partnership with **Central American Bank for Economic Integration (BCIE)**, duration 2016 – 2019
- Technical support for the **development of bankable projects**, close cooperation with local coffee initiatives and producers
- 2 Mio. EUR contribution to a loan fund and incentive mechanism („**NAMA Credit Fund**“) managed by BCIE
- Investments include: efficient ovens and larger-scale tunnels for coffee drying, waste water treatment solutions, ethanol production and large-scale bio-digesters

More information: <http://www.namacafe.org/>



GIZ Climate Portfolio

Anteil klimarelevanter GnB-Einnahmen 2009-2016





Key Issues

- „Green Finance“ and „Climate Finance“ is high on the **political agenda**
- **Pipeline development** must be complemented by **policy reforms**
- Methodological challenges of the contribution of **Technical Cooperation (TC)** to „green“ investments and finance flows
- Right level of **concessionality** and **mix of instruments**
- Strong and innovative **partnerships** between public and private sector are key!



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