



# TRUST FUNDS IN ACTION



European Investment Bank | Global



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## **Trust funds in action**

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European Investment Bank  
98-100, boulevard Konrad Adenauer  
L-2950 Luxembourg

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# OVERVIEW

## MAKING THE MOST OF DEVELOPMENT FINANCE

**Financing for development is limited. The United Nations estimates that \$4 trillion per year is needed in developing countries to achieve the Sustainable Development Goals. To increase the amounts available, the European Investment Bank (EIB) sets up and manages trust funds. Our trust funds are agreements through which donors transfer financial contributions to the Bank to support third parties, such as public sector counterparts or private sector entities, including financial intermediaries, 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, the development arm of the Bank, manages 12 trust funds financed by our donors – the 27 EU countries, the European Commission and the United Kingdom.**

## GLOBAL GOALS

EIB Global has reshaped the way the Bank 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. Created in 2022, EIB Global 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 supported investments in developing countries. Through close cooperation with our partners and beneficiaries on the ground, EIB Global will increase the impact of the Bank's financing. Today, EIB Global investments help create stability, meet the UN Sustainable Development Goals and fight climate change everywhere.

We select projects that make a big difference in people's daily lives and work with sound, like-minded partners to bring the projects to fruition.

### TRUST FUND INVESTMENT AREAS

Climate action and green transition

Vital and social infrastructure

Connectivity

Access to finance

Equal opportunities and  
women empowerment

## EIB GLOBAL'S TRUST FUNDS

### EU neighbourhood and enlargement

- EU for Ukraine Fund
- Eastern Partnership Technical Assistance Trust Fund
- Facility for Euro-Mediterranean Investment and Partnership Trust Fund
- Economic Resilience Initiative Fund

### Africa, Caribbean and Pacific

- African, Caribbean and Pacific Trust Fund (ACP Trust Fund)
- EU-Africa Infrastructure Trust Fund

### Climate

- International Climate Initiative (IKI) Fund
- Luxembourg-EIB Climate Finance Platform
- City Climate Finance Gap Fund

### Global

- Financial Inclusion Fund
- Green Hydrogen Fund
- Water Sector Fund

## KEY FIGURES

**€2.37 billion** pledged by donors as contributions to EIB-managed trust funds

**€1.22 billion** in financing allocated to projects

**€49.5 billion** in investment mobilised for projects

### Working together, EIB Global and trust fund partners collaborate to:

- improve the quality and impact of projects;
- make projects compliant with highest EU standards;
- promote capacity building, for example by enhancing institutional knowledge and developing efficient business models;
- support sustainable growth and equal opportunities for everyone;
- improve living conditions through vital infrastructure and access to finance.

The trust funds are designed to be focused but flexible. They are the most efficient source of concessional funding to support EIB-financed projects beyond Europe. They can tackle challenges in one main sector, as is the case with the Water Sector Fund, or cover several sectors, as in the case of the Eastern Partnership Technical Assistance Trust Fund and the Economic Resilience Initiative Fund.

## ACROSS THE WORLD

As of the end of 2023, EIB Global's **12 trust funds** have financed projects in some **90 countries** supporting close to **400 operations**. With the creation of new trust funds in 2023, including the ACP Trust Fund and the EU for Ukraine Fund, this impact is expected to grow further.

**OUR DONORS:  
27 EU COUNTRIES, THE EUROPEAN COMMISSION  
AND THE UNITED KINGDOM**



\*Estonia joined in 2024.



## **ELIGIBILITY FOR OFFICIAL DEVELOPMENT ASSISTANCE**

Contributions to our trust funds are typically considered as official development assistance towards the UN target of having developed countries devote 0.7% of their gross national income to promote the welfare of developing economies.

## **MAKING PROJECTS MORE SUCCESSFUL THROUGH A RANGE OF INSTRUMENTS**

Our trust funds operate across different geographies and sectors and offer a range of instruments.

**Financial instruments** reduce the level of risk taken by investors, lenders, or other parties participating in a project. They can include guarantee mechanisms and equity stakes in financing structures, which can be supported by donor funding. Donor-supported financial instruments enable EIB Global's involvement in projects and help promoters or other counterparts attract further investment. Donor contributions therefore achieve a high leverage ratio and make a big difference for the final impact on the ground.

**Technical assistance and advisory services** aim to support the preparation and implementation of investments through institutional capacity building and the financing, for example, of pre-feasibility and feasibility studies, design and tender documents, institutional and legal appraisals, environmental and social impact assessments, and project management, gender analysis or advisory services to beneficiaries.

**Investment grants** are non-reimbursable contributions to the financing of tangible or intangible components of an infrastructure project, alongside financing from other investors. Investment grants may decrease costs for a beneficiary by covering part of the investment or increasing the concessional element of the overall financing package of a given project. They may also target specific project components that have demonstrable social or environmental benefits or that can mitigate negative environmental or social impacts.

**Interest rate subsidies** provide a grant amount to an investor financing a project to reduce the cost of borrowing.

## **HOW WE MANAGE TRUST FUNDS**

The EIB's first own trust fund, the Facility for Euro-Mediterranean Investment and Partnership Trust Fund, was set up in 2004. It was followed by the Eastern Partnership Technical Assistance Trust Fund, created in 2010. The EIB also managed the EU-Africa Infrastructure Trust Fund on behalf of the European Commission before the creation of the Partnership Platform for Funds in 2017.

The Partnership Platform for Funds, the Bank's framework for managing donor funds, streamlines and standardises procedures for issues such as governance arrangements, fee calculations and reporting standards. The EIB administers several individual trust funds under this framework: the ACP Trust Fund's Member State compartment, the City Climate Finance Gap Fund, the Economic Resilience Initiative Fund, the EU for Ukraine 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 platform has enabled EIB Global to significantly grow and diversify the offer of its trust funds, for more targeted impact on the ground. More donor support will be needed to increase EIB Global's impact.







# EU FOR UKRAINE FUND

## ABOUT THE TRUST FUND

The **EU for Ukraine Fund (EU4U Fund)** was launched in 2023, to rapidly scale up support for Ukraine's most urgent infrastructure needs and sustain the economy.

The EU4U Fund facilitates the deployment of both public and private sector projects, focusing mainly on municipal infrastructure such as schools and hospitals, transport networks, digital and cybersecurity capability, and on better access to finance for Ukrainian entrepreneurs.

Donor resources can be used to support projects through the following instruments:

- **Investment grants**, including interest rate subsidies, to help lower the borrowing costs for promoters and beneficiaries.
- **Financial instruments**, notably through a guarantee to EIB lending and equity investments to reduce the level of risk taken by investors, lenders, or other parties participating in a project and to increase private sector investment.

## Strategic priorities

The overarching objective of the EU4U Fund is to accelerate the deployment of EIB Global's support for Ukraine's most urgent infrastructure needs and help sustain the country's economy, in line with the EU strategic goals.





## ELIGIBILITY

The EU4U Fund supports Ukraine's reconstruction and recovery. It fosters economic and social resilience and invests in sustainable infrastructure and in businesses, to revitalise the country's economy and support its efforts to progress on the path to EU accession. EIB Global works together with the government of Ukraine to identify the projects where the fund's support is most needed.

## SOLIDARITY WITH UKRAINE

After Russia's full-scale invasion of Ukraine in 2022, the EIB adopted the [EU for Ukraine Initiative](#) to address the country's urgent needs and sustain its economic stability until the Ukraine Facility, a longer-term plan for EU support, would be put in place.

### The EU for Ukraine Initiative:

- created the EU for Ukraine Fund;
- mobilised a €100 million dedicated technical assistance package from the Bank's own resources, which provides best-practice reconstruction advisory expertise in Ukraine and Moldova;
- revised the existing agreement under [NDICI – Global Europe](#), the main EU instrument for supporting projects beyond the European Union, which has enabled the Bank to provide an additional €100 million in financing in Ukraine.

The EIB offered immediate relief to Ukraine right after the outbreak of the war, disbursing [€2 billion of financing](#) for emergency repairs to the country's ravaged infrastructure. The Bank also provided a [€4 billion credit line](#) to support the integration of refugees from Ukraine in EU countries. The EIB remains committed to stepping up its activities in line with the [mandate given by EU leaders](#) and in close cooperation with the European Commission, the European Parliament, EU Member States and international partners through the EU for Ukraine Initiative and the fund, but also as a key implementing partner for the European Union's €50 billion Ukraine Facility.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



## PROJECT HIGHLIGHTS

As war is ravaging the country, access to finance is constrained for Ukrainian small and medium-sized enterprises (SMEs). The EU4U fund invested €25 million in a new Ukrainian-managed Horizon Capital private equity fund, [Horizon Capital Growth Fund IV](#). The investment is expected to support the growth and development of about 20 Ukrainian small and medium-sized internet technology (IT) firms, including:

- [Preply](#), which transforms language learning by connecting students with tutors worldwide through its online platform;
- [GoIT](#), which offers specialised IT education programmes to address the tech industry's skill shortage;
- [Viseven](#), which helps pharmaceutical companies accelerate their digital transformation.

## TARGETED AREAS OF ACTION

Economic resilience  
Infrastructure  
Companies of all sizes  
Cybersecurity and digitalisation



## EU FOR UKRAINE FUND AT A GLANCE

**€398 MILLION** in donor funds contributed  
(including €240 million in contributions in 2024)

**€25 MILLION** allocated to operations

**€300 MILLION** total investment expected to be mobilised at the project level

### OUR DONORS

This is a multi-donor trust fund, which received pledges from most of the EU Member States, totalling €420 million.

14 Member States have already contributed to the EU4U Fund, with other EU members expected to join in 2024.

<b>BELGIUM</b>	<b>FINLAND*</b>	<b>LUXEMBOURG</b>
<b>CROATIA*</b>	<b>FRANCE*</b>	<b>NETHERLANDS</b>
<b>CYPRUS</b>	<b>ITALY*</b>	<b>POLAND*</b>
<b>DENMARK</b>	<b>LATVIA</b>	<b>SPAIN</b>
<b>ESTONIA*</b>	<b>LITHUANIA</b>	

\*Contributed in 2024.



# EASTERN PARTNERSHIP TECHNICAL ASSISTANCE TRUST FUND (EPTATF)

## ABOUT THE TRUST FUND

**The Eastern Partnership Technical Assistance Trust Fund (EPTATF)** is a multi-donor, multi-sector trust fund, established by the European Investment Bank (EIB) in December 2010 in response to the creation of the Eastern Partnership one year earlier. The objective of the Eastern Partnership is to strengthen political and economic relations between the European Union, EU Member States and the partner countries, namely Armenia, Azerbaijan, Georgia, Moldova and Ukraine. Managed by EIB Global, the trust fund provides technical assistance and advisory support to public and private counterparts in the Eastern Partnership countries to enhance the development impact of EIB lending operations and bring the beneficiary countries onto the path of prosperity.

EPTATF enables EIB Global to mobilise technical assistance resources quickly and reliably, and helps promoters, national authorities and financial intermediaries to improve project identification, assessment methods and financial and risk management.

### **The trust fund fills critical gaps for the development and implementation of investment projects by providing financing for:**

- pre-feasibility, feasibility, and other preliminary studies for investment projects;
- institutional and legal assessments;
- environmental and social impact assessments in accordance with the highest EU standards;
- project management and/or promoter support throughout the project implementation process;
- project scoping studies to identify investment needs and priorities;
- capacity building, such as skill development and consultancy assistance, throughout a project, including at an institutional level, to improve the ability of counterparts to manage complex projects in an autonomous way in the future.

### **Strategic priorities (2021-2027)**

The trust fund's long-term objectives build on the European Commission's [Eastern Partnership policy beyond 2020](#) and on the EIB's expertise and added value. The priorities are:

- resilient, sustainable and integrated economies;
- environmental and climate resilience;
- digital transformation.



**€51 MILLION** in donor funds contributed

**44** EPTATF-supported technical assistance operations

**€10.8 BILLION\***  
Total investment mobilised as of the end of 2023 in association with EPTATF technical assistance operations

\*This sum includes €5.7 billion from partner institutions and €5.1 billion in mobilised EIB lending. The EIB aims to crowd in other investors and typically only covers up to 50% of a project's total cost.

Of the five Eastern Partnership countries supported through the trust fund, Ukraine has received the largest share of EPTATF grants, with 13 grant operations approved since the trust fund was founded, totalling €18.2 million. This accounts for 47% of total approvals as of the end of 2023. Georgia and Moldova are the second- and third-largest recipients of EPTATF funds, with 17% and 15% respectively (see page EP 4).

The immediate and long-term needs of the Eastern Partnership countries supported by EPTATF are greater than ever, as Russia's war in Ukraine and the escalation of conflicts in the Middle East add to the region's economic and energy insecurity. In addition, addressing climate change challenges remains a top priority, and work is in progress to mainstream gender considerations in our projects.

**It is essential to continue to replenish the trust fund**, which remains the EIB's single vehicle to channel donor funds for technical assistance into the Eastern Partnership countries beyond Ukraine.

## EXPECTED IMPACT

Since 2008, the Eastern Partnership Technical Assistance Trust Fund has improved thousands of lives thanks to investments in vital infrastructure and in businesses that make up the economic fabric of the Eastern Partnership countries.

Projects supported by the fund are expected to provide **safe drinking water for 510 000 people and save 136 000 MWh per year** thanks to the implementation of energy-efficient measures. The trust fund also supports the renovation and retrofitting of public buildings such as hospitals and schools. So far, an area of **1.1 million m<sup>2</sup> of public buildings has been renovated**.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED





## AREAS OF ACTION

- Job creation
- Green transition
- Economic resilience
- Gender equality

### PROJECT HIGHLIGHTS

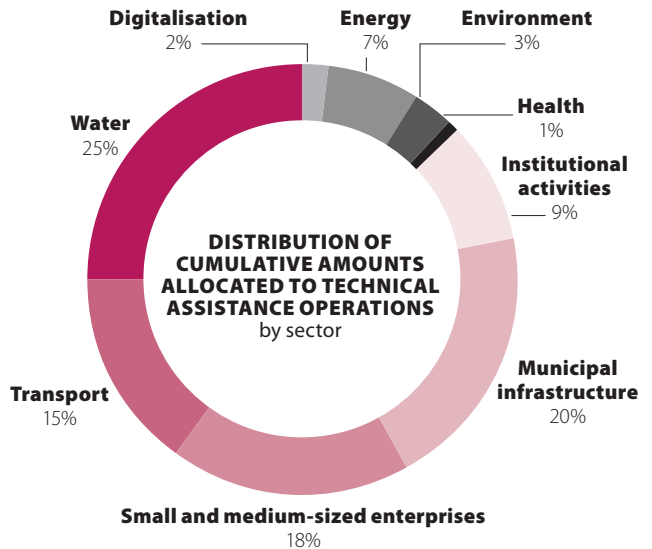
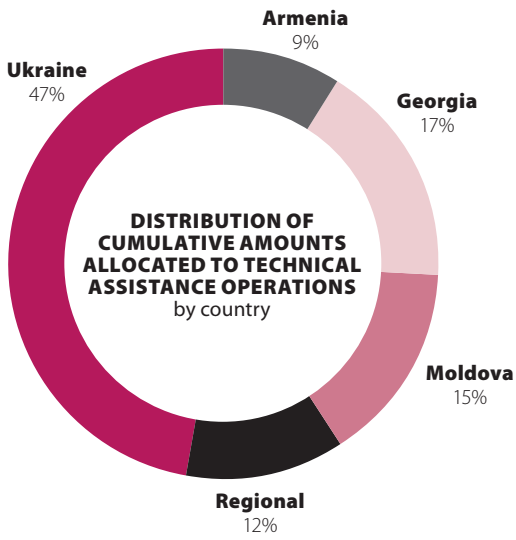
- Two grants from the Eastern Partnership Technical Assistance Trust Fund are **boosting climate action investment in Georgia**. Both grants were completed in 2023 and led to a €120 million investment for growth and green finance, to benefit small and medium firms. The first EPTATF grants **helped the Bank of Georgia produce a climate finance strategy** that considers the risks posed to its clients by climate change and identify new business opportunities. The second grant **helped TBC Bank improve its offer to small businesses** for loans targeting climate action projects. TBC Bank was able to enhance its know-how in sustainable financing and promote the advantages of climate action lending to current and potential clients. In 2023 the EIB signed loan agreements with both banks for eligible small firms and mid-caps. The loans will make financing available in Georgian lari and will be partially dedicated to investments in green and gender equality.
- In 2023, the **EIB and the city of Kyiv signed a cooperation agreement** to provide the Ukrainian capital with **strategic advisory services for transforming its urban electric transport system**. Under the agreement, the advisory team will help Kyiv prepare the investment needed for modernising its metro rolling stock, to end its dependence on Russian spare parts and equipment. This new partnership, including the advisory services and preparatory work, is supported by a €480 000 technical assistance grant from EPTATF.
- The Eastern Partnership Technical Assistance Trust Fund provided a **€498 000 grant to the government of Moldova** to **support the design and planning of two new regional hospitals**, one in Cahul, in the country's south, and one in Bălți, in the north. The Cahul hospital will make modern healthcare services – including chemotherapy, which is currently unavailable to patients in the region – accessible to more than 120 000 people. The new hospital will also increase the overall resilience of the public health sector in Moldova, which has been strained due to the COVID-19 pandemic and the war in Ukraine.
- After Russia annexed the Crimean Peninsula and occupied two large parts of eastern Ukraine in 2014, the Eastern Partnership Technical Assistance Trust Fund approved a €3 million technical assistance operation to support the implementation of a €200 million EIB loan for the **Early Recovery Programme**, which assists people who fled the conflict, and the towns that took them in. As part of this programme, more than 90 hospitals, medical facilities and a large number of educational sites in eastern Ukraine have been repaired, insulated or refurbished to modern standards.

**EASTERN PARTNERSHIP TECHNICAL ASSISTANCE TRUST FUND AT A GLANCE**

**€51 MILLION** in donor funds contributed

**€39 MILLION** allocated to operations

**44**  
operations



**OUR DONORS**

Since its inception, the trust fund has been receiving contributions from the following donors:

<b>AUSTRIA</b>	<b>GERMANY</b>	<b>POLAND</b>
<b>CZECHIA</b>	<b>LATVIA</b>	<b>SWEDEN</b>
<b>FRANCE</b>	<b>LITHUANIA</b>	<b>UNITED KINGDOM</b>
<b>EUROPEAN COMMISSION</b>		



# FACILITY FOR EURO-MEDITERRANEAN INVESTMENT AND PARTNERSHIP TRUST FUND

## ABOUT THE TRUST FUND

**The Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Trust Fund** has facilitated investment and addressed funding gaps in the European Union's Southern Neighbourhood since its creation in 2004 by the European Investment Bank (EIB).

It is the Bank's oldest multi-donor, multi-sector trust fund, and is currently managed by EIB Global, the Bank's development arm, which aims to enhance the development impact of its operations beyond Europe.

For 20 years, the FEMIP Trust Fund has been providing a broad range of instruments to support the economic and social development of the Mediterranean partner countries quickly and reliably through technical assistance and risk capital operations. The trust fund continues to provide support throughout the project cycle, including through:

- sector studies and master plans (identification stage);
- pre-feasibility and feasibility studies, audits, procurement documents (preparation stage);
- skills development at the institutional level, and support for public authority project management (implementation stage);
- studies assessing the ability of financial institutions to provide services to small and medium-sized enterprises and vulnerable groups such as women, young people and refugees, to promote financial inclusion.

## Strategic priorities (2021-2025)

The FEMIP Trust Fund's long-term objectives build on the EU Partnership with the Southern Neighbourhood policy and on the EIB's expertise. Following the adoption of the [New Agenda for the Mediterranean](#) in 2021, the FEMIP Trust Fund's priorities are:

- human development (for example health and equal opportunities);
- strengthening resilience, building prosperity and seizing the digital transition;
- green transition (including climate resilience, energy and environment).

## AREAS OF ACTION

Infrastructure

Human development

Access to finance for small businesses

Equal opportunities and social inclusion

Green transition and climate action

Digitalisation





**€68 MILLION** Total donor contributions to the trust fund

**90** FEMIP Trust Fund-supported operations,  
of which 14 are ongoing and 76 have been completed as of the end of 2023

**€5.33 BILLION\*** Total investment mobilised as of the end of 2023  
in association with the trust fund's technical assistance and risk capital operations

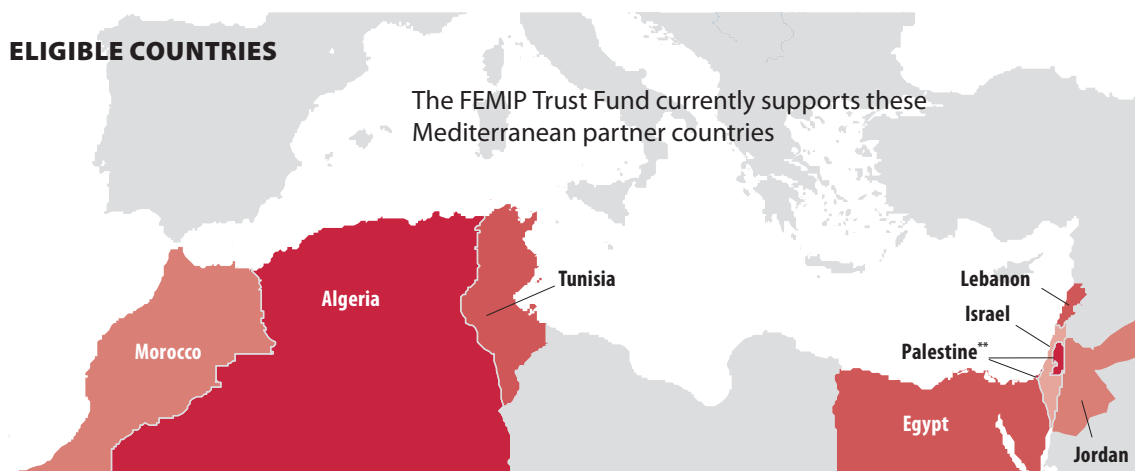
\*This sum includes €3.1 billion from partner institutions and €2.2 billion in EIB lending. The EIB typically only covers up to 50% of a project's total cost and **crowds in other investors**.

Almost half of all donor resources contributed to the FEMIP Trust Fund supported regional or cross-border operations (see page FE 4). The FEMIP Trust Fund is an important facilitator in fostering private sector development and bolstering socioeconomic infrastructure in the Mediterranean region, filling critical institutional gaps in project preparation and implementation.

So far, half of the trust fund's financial resources approved for projects have supported the environment sector (26%, including climate action) and the private sector (24%, including the finance and micro and small and medium-sized enterprises (MSME) sector) (see page FE 4).

As the EU climate bank, the EIB is committed to dedicating at least 50% of its financing every year to climate action and environmental sustainability and is set to reach its target of €1 trillion in investments for this cause in the critical decade to 2030. The FEMIP Trust Fund operations contribute to this objective.

The needs of the Mediterranean partner countries are as high as ever. To tackle current local and global challenges, which include climate change, food and energy security and the lingering effects of the COVID-19 pandemic, it is essential to replenish the trust fund. In this context, EIB Global is actively reaching out to existing and potential donors, seeking their contributions to promote sustainable development and offer an inclusive future to the young populations of Europe's Southern Neighbourhood.



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

## EXPECTED IMPACT

For two decades, the FEMIP Trust Fund has contributed to improving the lives of local populations in the Southern Neighbourhood by supporting projects that supply safe and reliable water, improve education and healthcare, finance sustainable transport, or help small businesses and startups grow.

1.5 million people are expected to benefit from improved sanitation services in Egypt, and 350 000 micro and small businesses, including 105 500 women-led businesses, will be supported.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



In 2023 alone, €22.3 million from 17 FEMIP trust fund projects supported 11 Sustainable Development Goals (SDGs). The largest share of ongoing and recently completed operations (24% of the approved amount) seeks to **develop and enhance working conditions in and economic growth** (SDG 8) of the Mediterranean partner countries. And in line with the EIB policy on climate, 37% of approved funds in 2023 aimed to **mitigate the negative effects of human activities on the environment** and were associated with the environmental SDGs.

## PROJECT HIGHLIGHTS

- The Tunisian electricity provider STEG is carrying out a study of the environmental and social effects of a 400 MW pumped water transfer station in the Beja province in the country's north. The study, which benefited from a technical assistance grant, will help STEG **to expand its use of renewable energy** and limit 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 the Moroccan Agency for Sustainable Energy, MASEN, **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**.
- The Technical Assistance Programme to Microfinance Facility (TAFIR), a €2 million programme backed by the FEMIP Trust Fund, supports microfinance institutions in the region. In Tunisia, it is supporting the Enda Tamweel institution in its digitalisation process by advising it on the construction of an electronic document management system. The FEMIP Trust Fund is also helping Enda Tamweel develop an offer of non-financial services for agricultural clients and a youth strategy.
- With the help of TAFIR, the Lebanese microfinance institution Al Majmoua improved its business model to reach more customers. By integrating the data from its non-financial and financial services, the institution can now offer a path to financing for customers previously excluded from its financial services. These clients can benefit from non-financial services such as training to acquire financial literacy and business planning skills to help them become eligible for classic financial services, such as microloans to set up their own businesses.

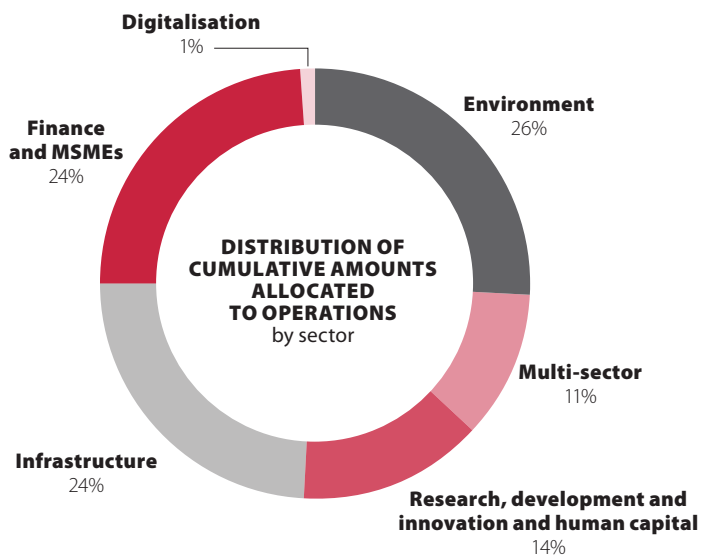
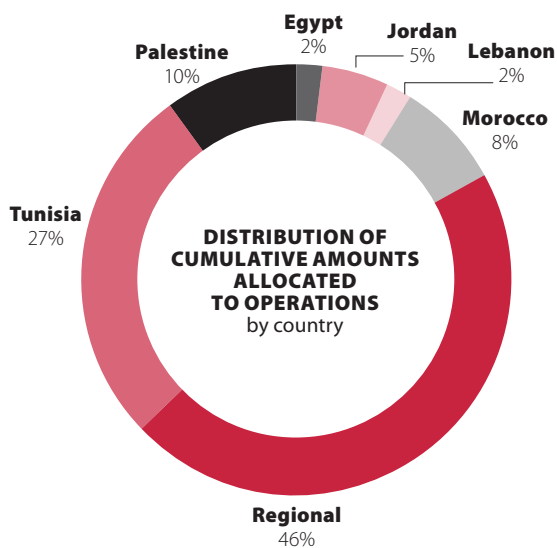
**FACILITY FOR EURO-MEDITERRANEAN INVESTMENT AND PARTNERSHIP TRUST FUND AT A GLANCE**

**€68 MILLION** in donor funds contributed

**€67 MILLION\*** allocated to operations

**90**  
operations

\* Returns from completed projects may bring the balance of approved funds higher than the amount of donor funds committed.



**OUR DONORS**

Since its inception, the trust fund has been receiving contributions from the following donors:

<b>AUSTRIA</b>	<b>GREECE</b>	<b>ROMANIA</b>
<b>BELGIUM</b>	<b>IRELAND</b>	<b>SLOVENIA</b>
<b>CYPRUS</b>	<b>ITALY</b>	<b>SPAIN</b>
<b>EUROPEAN COMMISSION</b>	<b>LUXEMBOURG</b>	<b>SWEDEN</b>
<b>FINLAND</b>	<b>MALTA</b>	<b>UNITED KINGDOM</b>
<b>FRANCE</b>	<b>NETHERLANDS</b>	
<b>GERMANY</b>	<b>PORTUGAL</b>	

# ECONOMIC RESILIENCE INITIATIVE FUND

## ABOUT THE TRUST FUND

The Economic Resilience Initiative Fund (ERI Fund) is a multi-donor fund introduced in 2017 by the EIB as part of its Economic Resilience Initiative, which combined the Bank's own resources with EU guarantees and donor funding to help countries and regions prepare for sudden economic or environmental crises. Building resilience is particularly important for developing countries exposed to political instability, economic downturns, conflicts, climate change and disease outbreaks.

The ERI Fund offers investment grants for vital infrastructure projects, such as access to clean water and sanitation. It also uses high-impact financial instruments that benefit the economy and society, for example by helping women, creating jobs for young people and supporting them in starting or expanding their own businesses. The financial instruments include a risk-sharing facility targeting equity and venture capital funds, a microfinance facility supporting micro and small entrepreneurs, in particular women-led businesses, and a partial portfolio guarantee, which enables financial intermediaries to reach out to typically underserved groups.

### Strategic priorities

The Economic Resilience Initiative has been a key part of the European Union's efforts to help strengthen economies and respond to challenges posed by migration and forced displacement. The ERI Fund was created following a call from the [European Council in 2016](#) to rapidly mobilise "additional financing in support of sustainable growth, vital infrastructure and social cohesion in the Southern Neighbourhood and Western Balkans countries." The accumulation of crises faced by the trust fund's target countries makes it more necessary than ever. The trust fund's goals are fully compliant with EU policy priorities, including the [European Green Deal](#), the EU [Global Gateway strategy](#), the [jobs and growth policy](#), the enlargement and [neighbourhood policies](#) and the [migration and forced displacement policy](#).

The trust fund's priorities are:

- economic resilience and prosperity;
- human development;
- digital transition;
- migration and mobility;
- social inclusion and gender equality;
- green and just transition.



**€112.5 MILLION** in donor funds contributed

**11 ERI Fund operations,**  
five supporting the Southern Neighbourhood and six  
supporting the Western Balkans

**€1.2 BILLION\*** Total investment mobilised as of the end of 2023  
in association with the trust fund's investment grants and financial instrument operations

\*This sum includes €753 million from partner institutions and €437.8 million in EIB lending. The EIB typically only covers up to 50% of a project's total cost and crowds in other investors.

The largest proportion of ERI Fund resources supports regional projects in the EU Southern Neighbourhood and the Western Balkans, which together represent 50% of all the trust fund's allocated amounts as of the end of 2023 (see page ERI 4).

Development of the private sector, in particular small and medium-sized enterprises, has a central role in driving sustainable, inclusive growth and job creation. With its de-risking mechanism, the ERI Fund enables the deployment of private sector investments that reach several countries at once. It thereby maximises the impact of donor resources while boosting growth and job creation in entire regions. At the end of 2023, 57% of the trust fund's resources had been used to support the private sector and are expected to sustain a total of 73 000 jobs.

Public sector operations received 43% of the trust fund's resources, which support vital infrastructure projects, mostly in the water and sanitation sector (see page ERI 4). For instance, one water project helps alleviate the adverse effects of climate change in Jordan, one of the world's worst affected countries.

## ELIGIBLE COUNTRIES



\*\* 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 Kosovo's declaration of independence.



## EXPECTED IMPACT

The projects supported by the ERI Fund will improve the lives of hundreds of thousands of people in the EU Southern Neighbourhood and Western Balkans, for example through the creation of jobs and improved access to drinking water and sanitation:

- over **30 000 loans** to micro and small businesses;
- reduced exposure to drought or flooding risks for **125 000 people**;
- clean water for **465 000 people**;
- better urban infrastructure and services for **65 000 people**.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



## PROJECT HIGHLIGHTS

- Three grants from the ERI Fund **support financial institutions in the Western Balkans**, enabling them to offer loans to businesses that intend to improve gender equality, youth employment and social inclusion. These **award-winning impact incentive loans** combine financing with grants for a performance-based reward scheme, aimed at promoting socially inclusive practices among small and medium businesses and mid-caps, while supporting job creation and entrepreneurship. In total, these projects are expected to support more than 13 000 jobs. In 2023, impact incentive loans deployed by Unicredit Bank Serbia and backed by a €4 million ERI Fund grant supported the Serbian economy via loans to small firms in a variety of sectors.
- 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 enabled the EIB to invest €150 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 women.
- **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 number of refugees who fled the conflict in neighbouring Syria and now make up a quarter of the 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 border with the West Bank.

## AREAS OF ACTION

Small businesses and jobs

Vital infrastructure

Sustainable transport and urban development

Energy efficiency

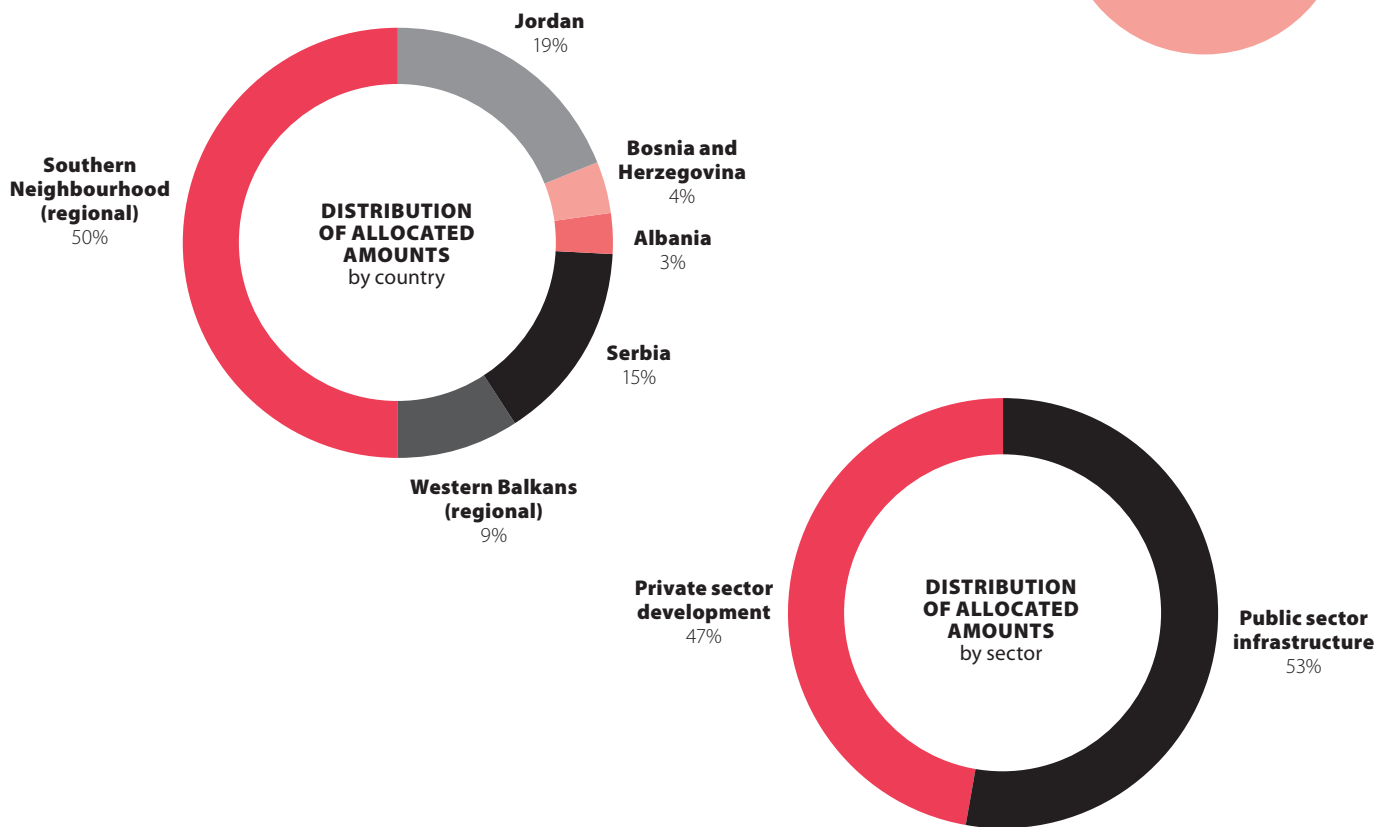
Equal opportunities

## ECONOMIC RESILIENCE INITIATIVE FUND AT A GLANCE

**€112.5 MILLION** in donor funds contributed

**€92 MILLION** allocated to operations

**11**  
operations



### OUR DONORS

This trust fund is multi-donor. The donors' contributions are pooled to achieve greater impact where most needed.

<b>BULGARIA</b>	<b>LITHUANIA</b>	<b>SLOVAKIA</b>
<b>CROATIA</b>	<b>LUXEMBOURG</b>	<b>SLOVENIA</b>
<b>ITALY</b>	<b>POLAND</b>	<b>UNITED KINGDOM</b>

# AFRICAN, CARIBBEAN AND PACIFIC TRUST FUND (ACP TRUST FUND)

## ABOUT THE TRUST FUND

The African, Caribbean and Pacific Trust Fund (ACP Trust Fund) was created in 2023, building on decades of European Investment Bank (EIB) financing experience in the three regions. The ACP Trust Fund relies on two pillars of support, from the European Commission and from the EU Member States. It fosters sustainable economic, social and environmental development of African, Caribbean and Pacific countries, with the primary aim of promoting growth and prosperity.

The ACP Trust Fund's **EU compartment** has been operational since 2023. It focuses on boosting economic growth, including in the least developed and most fragile countries, by investing in high-impact projects for the private sector. It offers financial instruments such as equity, quasi-equity, debt, risk-sharing and local currency lending as well as technical assistance targeting private sector projects.

The trust fund's **Member States compartment** is complementary to the European Commission-financed compartment and provides the following types of support in the public and private sectors:

- **Technical assistance** to help raise standards and ensure that environmental and social requirements are met during a project's preparation and implementation phases. It includes pre-feasibility and feasibility studies, design and tender documents, environmental and social impact assessments, and skills development at the institutional level.
- **Investment grants** to help lower the beneficiary's total financing needs. The grants can also add specific social or economic value to projects.
- **Interest rate subsidies** are expected to reduce the cost of borrowing, particularly when project promoters face debt sustainability constraints.

## Strategic priorities

The overarching goals of the ACP Trust Fund are in line with the European Union's strategic orientations:

- [Green Deal](#)
- [Global Gateway](#)
- [Jobs and inclusive growth](#)



## BOOSTING SUSTAINABLE DEVELOPMENT IN THE ACP REGIONS

EU compartment: **€500 MILLION**,  
with the aim of triggering €2.5 billion to €3.5 billion in investments

Member States compartment: **€31 MILLION** in donor funds contributed in 2024

The geographic coverage of the ACP Trust Fund is very broad, but the beneficiary countries face similar challenges. The trust fund promotes inclusive and sustainable private sector-driven economic growth and development, especially in least developed countries and fragile states, most of which are located within its geographical scope. It aims to have an impact on environmental sustainability, climate action, gender equality, social inclusion, economic resilience, and peacebuilding.

At the end of 2023, two of the four operations supported were sector- and country-focused (agriculture in Madagascar and digital connectivity in Uganda) and two were regional and covered more sectors, including high-growth small and medium-sized businesses and digitalisation. Almost half of the ACP Trust Fund operations supported West Africa (see page ACP 4), with the remainder split between East and Central Africa, Southern Africa and the Indian Ocean.

## EXPECTED IMPACT

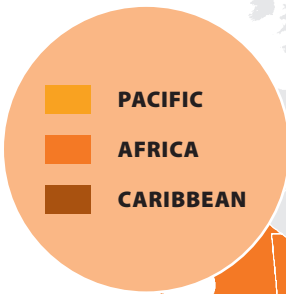
Projects supported by the EU compartment by the end of 2023 are expected to sustain around **12 000 jobs**, build more than **500 new mobile sites** to provide telecom services in rural areas, and introduce or improve the **sustainable management of 6 125 hectares of land**.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED





## ELIGIBLE COUNTRIES



**Africa:** Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, Comoros, Republic of the Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Eritrea, Eswatini, Ethiopia, Gabon, The Gambia, Ghana, Guinea, Guinea-Bissau, Equatorial Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, São Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Tanzania, Togo, Uganda, Zambia, Zimbabwe. **Caribbean:** Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago. **Pacific:** Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, Vanuatu.

**Note:** The European Investment Bank does not endorse, accept or judge the legal status of any territory, boundaries, colours, denominations or information depicted on this map.

## PROJECT HIGHLIGHTS

- In recent years, a combination of drought and livestock diseases, the severe impact of the COVID-19 pandemic and the rippling effects of Russia's war in Ukraine have led to famine, which affected hundreds of thousands of people in **Madagascar** in 2021-2022. A €20 million **ACP Trust Fund loan to Sahanalala**, a local social enterprise, will reduce reliance on imports for food and **boost nature-friendly food production for the domestic market** and for export.
- **Innovative businesses and startups across Africa** will benefit from better access to risk capital thanks to a **\$30 million equity investment in the Seedstars Africa Ventures I** venture capital fund by EIB Global, the Bank's development arm (including \$20 million through the ACP Trust Fund). Increased access to capital will allow companies to grow and will create skilled jobs and better products and services for businesses and consumers. The fund will invest in companies developing and implementing digital technologies, in particular for education, healthcare and utilities, and in businesses that improve services and efficiency.
- In **Uganda**, a **\$40 million ACP Trust Fund loan** is helping to **tackle the digital divide** by supporting better access to telecom services. The ACP Trust Fund is backing an EIB Global investment in TowerCo of Africa, which will install more than 500 new telecom towers in rural areas to provide internet data services, mobile money solutions and better financial inclusion. The new towers will bring network coverage up to 95% of the country from 65%. A significant portion of the new towers will be powered by solar energy, reducing the risk of fuel and generator theft, and contributing to the climate transition.

## AREAS OF ACTION

Climate  
Financial inclusion  
Economic resilience  
Digitalisation  
Energy

## ACP TRUST FUND AT A GLANCE

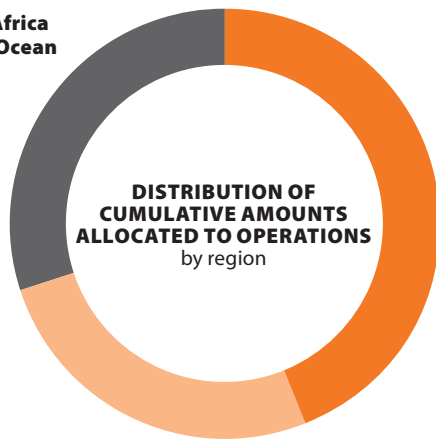
**€500 MILLION** contributed by the European Commission

**€81 MILLION** allocated to operations

**€241 MILLION** of expected total investment supported in relation to donor-supported projects

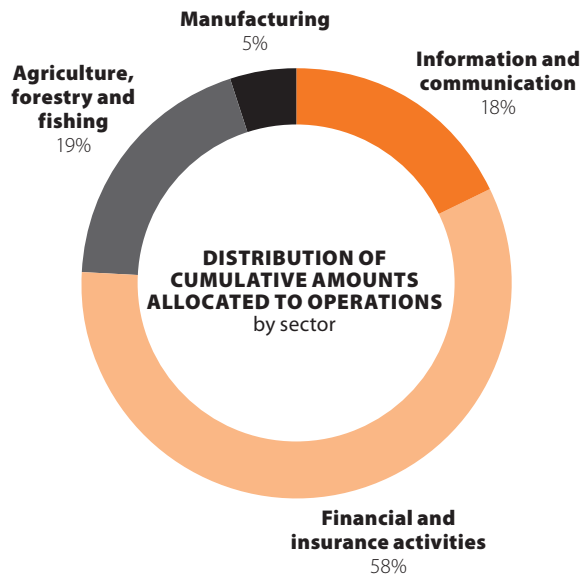
**4**  
operations

**Southern Africa and Indian Ocean**  
30%



**West Africa**  
44%

**East and Central Africa**  
26%



**Financial and insurance activities**  
58%

### OUR DONORS

This trust fund is multi-donor. The fund's EU compartment was launched in 2023 thanks to a contribution from the **European Commission**. The trust fund's Member State compartment opened for contributions from **EU members** in 2024. By the end of August 2024, it had already received contributions from the following donors, and more are expected to join:

<b>DENMARK</b>	<b>LUXEMBOURG</b>	<b>SPAIN</b>
<b>FINLAND</b>	<b>PORTUGAL</b>	

### MEMBER STATES COMPARTMENT

The ACP Trust Fund Member States compartment became operational in June 2024 and donors are still joining at time of publication. The latest information is [available on our website](#).

# EU-AFRICA INFRASTRUCTURE TRUST FUND

## ABOUT THE TRUST FUND

The EU-Africa Infrastructure Trust Fund was one of the first trust funds to be managed by the European Investment Bank (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 trust fund supports projects financed by the EIB as well as other financiers.

The trust fund has two main areas of activity – infrastructure and sustainable energy. It helps finance cross-border and national infrastructure projects in the energy, transport, water, and information and communications technology sectors. €330 million has been set aside to support renewable energy and energy efficiency projects that are in line with the UN Sustainable Energy for All initiative. The trust fund offers four types of support:

- **Technical assistance**, to improve the quality, efficiency and sustainability of a project during the preparation or implementation phase. This can help raise standards and fulfil environmental and social requirements.
- **Investment grants**, to help lower the total financing needs for the beneficiary. This is often necessary to unlock projects that have a low financial return or elevated risk, despite high socioeconomic returns. They can also target certain aspects of a project that add specific social or economic value.
- **Interest rate subsidies**, to bring down the overall cost of the investment by reducing the financing costs in cases where the project promoter faces debt sustainability constraints.
- **Financial instruments**, to unlock financing from private and public investors by addressing some of the risks that can hold back investments. They are used to finance equity or quasi-equity investments, guarantee cost or risk-sharing instruments.



**€813 MILLION** in donor funds contributed

**120 grants**, of which **38** support the UN Sustainable Energy for All initiative

**€11.3 BILLION** in total investment mobilised as of the end of 2023

The largest portion of the fund's resources supported infrastructure projects in East and West Africa, together representing nearly three-quarters of the trust fund's approved amounts (see page EU-A 4).

Most of the fund's resources (59%) supported projects linked to the energy sector, in part because of the fund's support for the [UN Sustainable Energy for All initiative](#). These projects include off-grid renewable energy solutions, which give rural communities access to clean energy. The transport sector followed, with 23% of approved resources. These include support for road corridor projects that enable the creation or improvement of cross-border road links, which are important for the regions' economic development (see page EU-A 4).

## EXPECTED IMPACT

The trust fund, established in 2007, has made a significant contribution to increasing infrastructure investment in sub-Saharan Africa. Its resources have unlocked projects that are expected to improve the lives of millions of people through access to the internet, renewable electricity, clean drinking water, better roads and the creation of thousands of jobs:

- electricity for **5.6 million homes**;
- **12 000 km** of internet cables;
- safe drinking water for **745 000 homes**;
- **2 000 km** of roads built or upgraded.

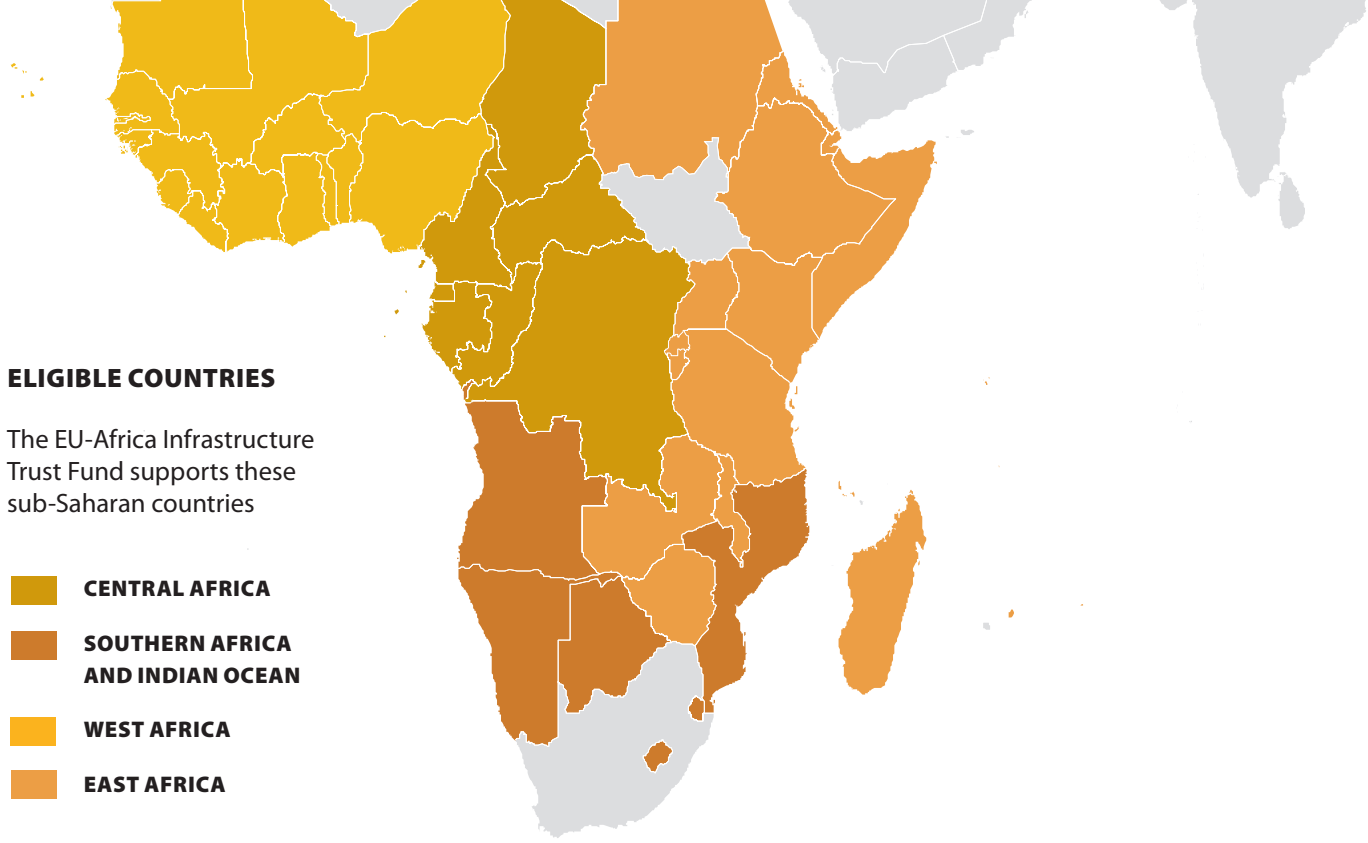
## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



## AREAS OF ACTION

Energy  
Transport  
Water  
Information and  
communications technology





**Central Africa:** Cameroon, Central African Republic, Chad, Democratic Republic of the Congo, Equatorial Guinea, Gabon, Republic of Congo, São Tomé and Príncipe. **Southern Africa and Indian Ocean:** Angola, Botswana, Eswatini, Lesotho, Mozambique, Namibia. **West Africa:** Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo. **East Africa:** Burundi, The Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, South Africa, Tanzania, Uganda, Zambia, Zimbabwe. Grouped according to the European Commission's regional classification.

**Note:** The European Investment Bank does not endorse, accept or judge the legal status of any territory, boundaries, colours, denominations or information depicted on this map.

## PROJECT HIGHLIGHTS

- The Northern Corridor is a principal transport route that connects people and trade in landlocked countries in Central and East Africa to the ports of Mombasa, Kenya, and Dar Es Salaam, Tanzania. However, heavy daily congestion on the route impairs trade and economic growth. A project supported by a €16.6 million EU-AITF interest-rate subsidy was completed in 2023. It included the construction or upgrading of 58 km of roads, will **alleviate traffic congestion around Kampala**, the Ugandan capital, and is expected to benefit some 45 000 daily users.
- The Ethiopian government is implementing **a project to build water supply systems in 48 small and medium towns across the country**, supported by a €1.27 million technical assistance grant from the EU-Africa Infrastructure Trust Fund. Living conditions in Ethiopia will improve thanks to increased and more sustainable access to drinking water and with it, less illness. The project also contributes to regional stability in conflict-prone areas, as proximity to water systems will reduce cross-border movement of people travelling to find drinking water. The new systems will help prevent water loss and avoid overexploitation of the Nile's sources, benefiting the millions of people who live downstream, for whom the river is a lifeline.
- The Seychelles, a group of islands in the Indian Ocean, is located 1 500 km from mainland Africa. The country was **connected to a submarine fibre-optic cable in 2012** thanks to an EIB loan, making internet access more affordable for residents and leading to a 70% spike in internet connections within two years. The EU-Africa Infrastructure Trust Fund provided an investment grant, used by the Seychelles government to purchase an equity stake in Seychelles Cable Systems Company Ltd, which maintains the fibre-optic cable. Part of the income from the government's equity stake was used **to provide free internet access to all public schools in the Seychelles**. As of 2021, more than 17 000 primary and secondary school pupils benefited from free internet access thanks to the grant.

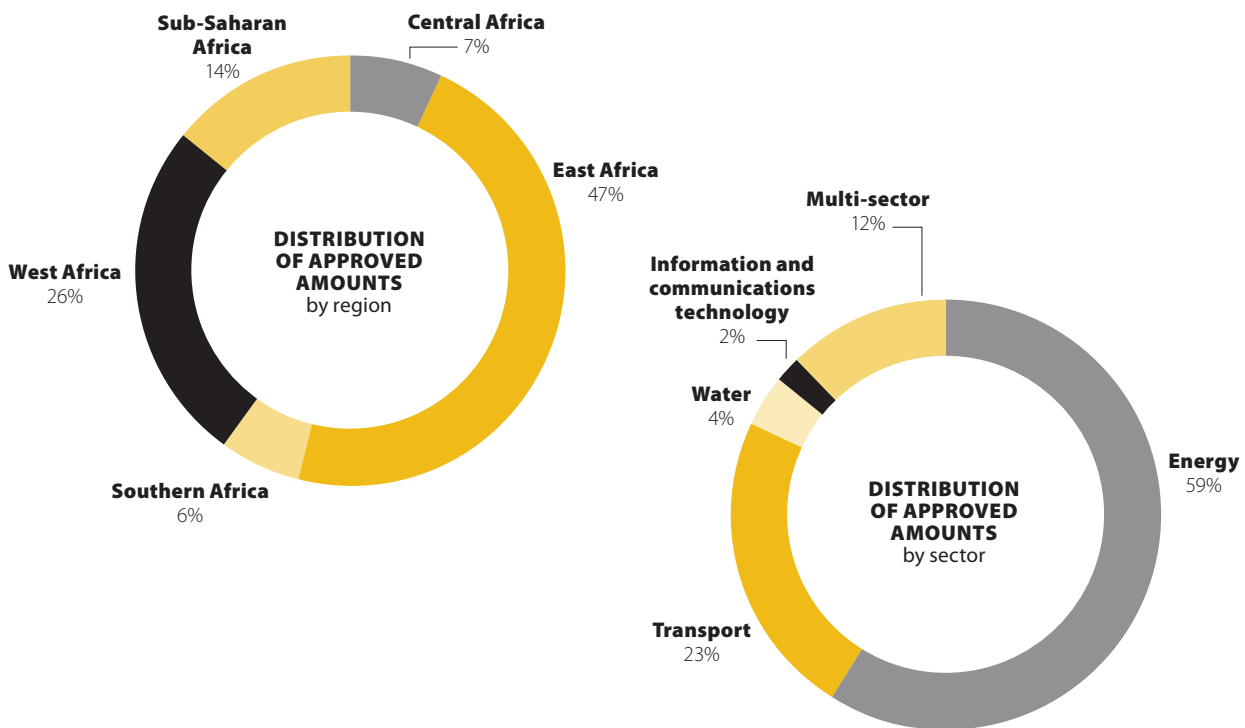
## EU-AFRICA INFRASTRUCTURE TRUST FUND AT A GLANCE

**€813 MILLION** in donor funds contributed

**€791.3 MILLION** allocated to operations

**€11.3 BILLION** of investments supported

**121**  
operations



### OUR DONORS

This trust fund is multi-donor. The donors' contributions are pooled to achieve greater impact.

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

# INTERNATIONALE KLIMASCHUTZINITIATIVE (IKI) FUND

## INTERNATIONAL CLIMATE INITIATIVE FUND

### ABOUT THE TRUST FUND

The Internationale Klimaschutzinitiative (IKI) Fund – German for International Climate Initiative Fund – provides grants in developing countries for climate mitigation and adaptation.

Working with the public and private sectors, the IKI Fund acts to reduce greenhouse gas emissions by encouraging new types of renewable energy, energy efficiency, circular economy and low-carbon technology. The trust 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 trust 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 help reduce emissions and make countries less vulnerable to the damage caused by climate change. It does this by offering technical assistance and providing financial tools and facilities in developing countries:

- **Investment grants** help lower the financing costs for the beneficiary. They can be used in conjunction with EIB investments for renewable energy solutions, such as solar panels, biomass energy and geothermal heat pumps.
- **Technical assistance** includes support in preparing and implementing investments, and advisory services for the countries' central banks and financial institutions.
- **Financial instruments** can unlock financing from private and public investors by addressing some of the risks that hold back investments.

The IKI Fund's financial tools and risk-bearing facilities help crowd in additional funding from private investors for climate action projects such as energy efficiency measures or off-grid renewable electricity installations.





## ELIGIBILITY

This trust fund supports projects in developing countries and emerging economies included in the [OECD Development Assistance Committee's list of recipients of official development assistance](#). Projects must also comply with the [EIB's climate action eligibility criteria](#).

## PROJECT HIGHLIGHT

- The IKI Fund finances the [Greening Financial Systems Programme](#), which is designed to promote net-zero and climate-resilient financial systems that will ultimately support the private sector in deploying climate-related and environmentally sustainable investments. The programme's beneficiaries, including central banks, supervisory bodies and financial institutions, receive support for improving their institutional skills and are introduced to best lending practices related to green financing.

Nine technical assistance operations were approved in the programme's first two years and are being rolled out in sub-Saharan Africa, the Eastern Neighbourhood and the Western Balkans:

- » The Central Bank of **Kenya** is committed to the greening of the country's financial sector. A €1.3 million technical assistance grant from the IKI Fund supported the development of the Kenya Green Finance Taxonomy. The taxonomy will guide the banking sector in selecting green investments in line with international best practices and help increase the impact of climate-related investments to meet the goals of the Paris Agreement. In addition, customised support is provided through the fund to the Central Bank and financial institutions in Kenya to help them develop green finance offerings and better manage climate risk.





- » In **Georgia**, a €300 000 grant will help the Central Bank develop climate change scenarios and stress testing exercises, and an €800 000 grant will support four commercial banks in the integration of climate-risk considerations in their corporate strategies.
- » The IKI Fund helps central banks and financial institutions in **North Macedonia, Ethiopia, Nigeria, Rwanda, Armenia** and **Georgia** increase green finance in their economies and improve their climate-risk management policies and practices.
- The IKI fund is supporting Ukraine's energy transition through a €20 million grant for the Renewable Energy Solutions Programme. The grant will help hospitals, schools and other municipal buildings across Ukraine with their green reconstruction and the adoption of renewable energies. The initiative is deployed in synergy with EIB framework loans, such as the Ukraine Public Building Energy Efficiency Programme, a €300 million EIB framework loan for thermal renovations, and three Ukraine recovery programmes worth a total of €790 million targeting recently liberated territories.

## AREAS OF ACTION

Climate change adaptation

Climate change mitigation



## INTERNATIONAL CLIMATE INITIATIVE (IKI) FUND AT A GLANCE

**€57.1 MILLION** in donor funds contributed

**€18 MILLION** in donor funds allocated to operations

**€255 MILLION** of expected total investment mobilised as of the end of 2023. This sum includes a mix of funding from partner institutions

**12**  
operations

### SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



### OUR DONORS

The fund was developed by the EIB in partnership with the **German government** and started operating in 2019.





# LUXEMBOURG-EIB CLIMATE FINANCE PLATFORM

## ABOUT THE TRUST FUND

The Luxembourg-EIB Climate Finance Platform (LCFP) is a joint initiative of the European Investment Bank (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.

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

**Financial instruments** can unlock financing from private and public investors by addressing some of the risks that hold back investments. The LCFP provides equity investments and takes on a higher risk in layered funds by financing junior tranches which helps to attract other investors.

The layered funds invest in companies in emerging markets that are involved in climate change mitigation and adaptation projects, which are considered of especially high risk. The LCFP supports the following instruments:

- subordinated and/or other investments in equity or debt funds, including funds-of-funds;
- direct debt investments, including subordinated or mezzanine debt.

## ELIGIBILITY

Operations eligible for financing under the LCFP are not limited to a specific geographical region, but must be in line with the [EIB's climate strategy](#) and [Luxembourg's International Climate Finance Strategy](#) for allocating funds.



## EXPECTED IMPACT

The LCFP's main objective is to achieve UN Sustainable Development Goal 13 – Climate Action. The benefits brought about by the projects supported by the trust fund will help to achieve this goal and contribute to the achievement of many others.

The trust fund has invested in eight funds so far, each quite different in terms of geographic regions covered, sectors of activity, and impact. It has reached some 40 developing countries across the world and has provided investments in agriculture, resource management, circular economy, urban mobility and clean energy. Expected impact includes:

- **52 million tonnes** reduction in CO<sub>2</sub> emissions;
- annual energy savings of **4.5 GWh** (equivalent to energy for 450 000 households);
- **12 million hectares** under sustainable land management;
- **165 million people** benefiting from climate-resilient urban infrastructure projects;
- greater **energy access** for millions of people.

## THE LUXEMBOURG-EIB CLIMATE FINANCE PLATFORM REACHED THE FOLLOWING COUNTRIES AT THE END OF 2023:

AMERICAS					
BRAZIL	COLOMBIA	COSTA RICA	HAITI	NICARAGUA	PERU

SUB-SAHARAN AFRICA					
CÔTE D'IVOIRE	DEMOCRATIC REPUBLIC OF THE CONGO		GHANA	KENYA	
MADAGASCAR	MAURITANIA	NIGERIA	RWANDA	SENEGAL	SIERRA LEONE
SOUTH AFRICA	TANZANIA	TOGO	UGANDA		

EU SOUTHERN NEIGHBOURHOOD					
EGYPT	JORDAN	LEBANON	MOROCCO	PALESTINE*	TUNISIA

WESTERN BALKANS AND TÜRKIYE					
ALBANIA	BOSNIA AND HERZEGOVINA		CROATIA	KOSOVO**	MONTENEGRO
REPUBLIC OF NORTH MACEDONIA		SERBIA	TÜRKIYE		

EU EASTERN NEIGHBOURHOOD					
ARMENIA	AZERBAIJAN	GEORGIA	MOLDOVA	UKRAINE	

ASIA					
BHUTAN	INDIA	INDONESIA	LAOS	MALAYSIA	PHILIPPINES
THAILAND	VIETNAM				

\* 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 Kosovo's declaration of independence.



## AREAS OF ACTION

Climate action in:  
Agroforestry  
Renewable energy  
Climate insurance  
Circular economy

### PROJECT HIGHLIGHTS

- The LCFP contributed to the **Green for Growth Fund**, which invests in renewable energy, energy efficiency, and water and sanitation projects in the Southern and Eastern neighbourhoods and the Western Balkans.
- The trust fund supports the **Land Degradation Neutrality Fund**, which aims 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 off-grid energy solutions to millions of people across sub-Saharan Africa, Asia and the Pacific.
- An investment in the **Climate Resilience Solutions Fund**, known as CRAFT, supports 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 trust fund supports the **Emerging Markets Climate Action Fund (EMCAF)**, a private equity fund-of-funds supporting the production of clean energy and the reduction of carbon emissions and air pollution.
- The LCFP contributed to **The Urban Resilience Fund (TURF) B**, which helps cities in rapidly growing urban areas in Africa. The trust fund targets investments in green, sustainable and resilient public infrastructure projects.
- An **LCFP investment** in the debt fund **Mirova Gigaton Fund** supports small firms active in the production and provision of renewable energy in sub-Saharan Africa, Southeast Asia and Latin America. The fund focuses on companies with a positive climate, sustainability and gender impact.
- The LCFP helps vulnerable populations adapt and build resilience to climate change through an investment in the **BlueOrchard InsuResilience Fund II**, which provides equity and quasi-equity capital to fast growing and innovative companies operating in the climate insurance sector in emerging markets.



## LUXEMBOURG-EIB CLIMATE FINANCE PLATFORM AT A GLANCE

**€70 MILLION** in donor funds committed

**€50 MILLION** invested

**€20.5 BILLION** of investments expected to be mobilised  
(including €370 million of EIB lending)

**LCFP MULTIPLIER EFFECT\*** from 30x to 833x, depending on the  
targeted equity fund

\* The LCFP multiplier effect is the ratio of total investment in final projects to the trust fund's initial commitment. It varies depending on the supported equity fund, from 30x in the case of the responsAbility Access to Clean Power Fund up to an estimated 833x for the Emerging Markets Climate Action Fund.

**8**  
operations

### SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



### OUR DONORS

This trust fund was created in 2017 in partnership with the government of **Luxembourg**, with the intention of becoming a multi-donor fund. The fund is open to contributions from other donors seeking to support green development.



# CITY CLIMATE FINANCE GAP FUND

## ABOUT THE TRUST FUND

The City Climate Finance Gap Fund, or Gap Fund, is an initiative implemented jointly by the World Bank and the European Investment Bank (EIB), in partnership with the German development agency Gesellschaft für internationale Zusammenarbeit (GIZ).

Cities are home to over half the global population and account for more than 70% of global CO<sub>2</sub> 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° Celsius above pre-industrial levels. However, many cities struggle to develop and finance urban climate projects because they lack the technical knowledge and resources. The Gap Fund helps cities in developing countries overcome these hurdles at an early stage by offering technical assistance.

### Technical assistance grants from the EIB Gap Fund cover:

- skills development for cities' low-carbon and climate-resilient urban planning;
- conception of projects and pre-feasibility studies;
- review of cities' climate strategies and support in the prioritisation of investments;
- support in bridging other potential project preparation gaps.

## ELIGIBILITY

This trust fund supports cities in low and middle-income countries included on the [OECD Development Assistance Committee's list of official development assistance recipients](#).

## AREAS OF ACTION

Climate-smart urbanisation  
Urban resilience and adaptation  
Water and sewerage  
Urban mobility  
Energy-efficient and affordable housing



**€105 MILLION** in donor pledges to the Gap Fund initiative,  
including €48 million under EIB management

**463 APPLICATIONS** in the four years of operation,  
including 211 expressions of interest from cities screened by the EIB

**60 CITIES** supported (under EIB and GIZ management)

Since its creation in 2020, the Gap Fund has approved support for municipalities in Africa, Eastern and South-Eastern Europe, Asia, the Pacific, and Latin America (see page GAP 4). Projects and strategic plans supported by the Gap Fund serve as a blueprint for climate action projects in cities and countries worldwide.

The Gap Fund is actively seeking to cooperate with public and private partners to support the transformation of societies and the environment in a sustainable manner.

## EXPECTED IMPACT

The City Climate Finance Gap Fund advances low-carbon, climate-resilient initiatives in urban areas across the globe. It helps improve liveability, air quality and health for city residents in developing countries, and the resilience of local communities and inclusion of vulnerable parts of society. This will also contribute to job creation.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED





## PROJECT HIGHLIGHTS

- **Cuenca, Ecuador**, has experienced changes in the frequency and intensity of rainfall as a result of climate change. This has caused extreme floods and droughts and has affected the quality of available water resources. The Gap Fund helped the municipality to improve the management of its drinking water by strengthening the monitoring systems and generating climate and environmental data on the Yanuncay, Tomebamba, Culebrillas and Machángara river basins. In 2023, the city purchased four more monitoring stations based on the recommendations of the Gap Fund's technical assistance assignment.
- **Campinas, Brazil**, is improving its urban environment by developing linear parks (long, narrow parks that run along canals, rivers or streams) to expand the city's green areas. Campinas turned to the Gap Fund to get support for developing a catalogue of nature-based and landscaping solutions envisioned for the project. In 2023, the Gap Fund also developed a methodology for quantifying the environmental, economic and social benefits and risks of implementing nature-based solutions in linear and fluvial parks, as well as a preliminary design for a linear park along the Bandeirantes stream in Campinas.
- **Mbombela, South Africa**, has been battling with the effects of climate change for a long time. Communities in the region have been directly affected by the growing frequency and intensity of heatwaves, droughts, extreme rainfall and flooding incidents. The city of Mbombela was one of the first to be selected for Gap Fund support in 2021 to further develop its Transformative Riverine and Stormwater Management Programme. The Gap Fund's 11-month technical assistance assignment, now completed, focused on developing climate-resilient river and water management services using nature-based solutions.
- **Chefchaouen, Morocco**, produces around 36 tonnes of waste every day. Most of the waste is transported to a saturated and hazardous dumpsite near the city. Only about 1% of Chefchaouen's recyclable metal and plastic waste is recovered. With Gap Fund support, the city developed a modular and adaptable sustainable waste management and recovery system, which will be rolled out over 15 years. It includes community composters, waste collection points where waste will be separated, and a biowaste valorisation unit.



## CITY CLIMATE FINANCE GAP FUND AT A GLANCE

**60 CITIES**  
supported

**€48 MILLION** in donor funds committed to the EIB Gap Fund

**€36 MILLION** allocated to operations

### OVERVIEW OF APPROVED TECHNICAL ASSISTANCE ASSIGNMENTS



\* RAMCC is an Argentinian network of 251 municipalities tackling climate change in the country.

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

### OUR DONORS

This trust fund was launched in 2020. Currently, its donors include **Germany** and **Luxembourg**.

# FINANCIAL INCLUSION FUND

## ABOUT THE TRUST FUND

Microenterprises and small businesses across the world play a key role in their local economies. However, they often face the greatest hurdles in accessing finance to help them grow. The barriers range from difficulties in meeting collateral requirements and low levels of financial literacy to issues of proximity and physical access to service-providing institutions.

Since 2019, the Financial Inclusion Fund has aimed to strengthen microfinance providers and reinforce their outreach to microenterprises and small firms, particularly businesses run by women or young people in rural communities, through technical assistance.

- **Technical assistance and advisory services support:**

- » institutional skill development in microfinance institutions;
- » preparation of analyses (gender, social inclusion, market or product);
- » design and drafting of tender and legal documents;
- » project management, including designing innovative solutions tailored to the needs of the unserved, and outreach to final beneficiaries.

- **A traineeship programme** under the trust fund aims to strengthen the knowledge and skills of students and young professionals from the public and private sectors of beneficiary countries in the African, Caribbean and Pacific and EU Southern Neighbourhood regions. Over a three-year period, EIB Global will host up to 60 trainees under the [traineeship programme](#).

## Strategic priorities

The Financial Inclusion Fund supports microfinance institutions and their clients in many ways. The trust fund is flexible and can adapt to changing needs on the ground and help beneficiaries respond to challenges. Each year, the trust fund identifies priority areas for support. In 2023, its strategic priorities were:

- **promoting the economic empowerment of women** by improving their access to responsible finance and/or enhancing their entrepreneurial skills;
- **increasing resilience to climate change** for microfinance institutions and their clients, notably through sustainable agricultural practices and access to renewable energy;
- **improving access to finance through digital platforms.**



## ELIGIBILITY

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

## THE FINANCIAL INCLUSION FUND IS CURRENTLY ACTIVE IN THESE COUNTRIES:

### CARIBBEAN

DOMINICAN REPUBLIC
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### SUB-SAHARAN AFRICA

BENIN	BURKINA FASO	CAMEROON	CÔTE D'IVOIRE	DEMOCRATIC REPUBLIC OF THE CONGO	
GABON	GHANA	GUINEA	KENYA	MADAGASCAR	MALI
NIGER	NIGERIA	REPUBLIC OF THE CONGO	RWANDA	SENEGAL	
TOGO	UGANDA	ZAMBIA			

### EU SOUTHERN NEIGHBOURHOOD

EGYPT	JORDAN	LEBANON	MOROCCO	TUNISIA
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## EXPECTED IMPACT

By the end of 2023, 33 operations were approved under the Financial Inclusion Fund, including 27 projects in Africa, the Caribbean and Pacific, five in the European Union's Southern Neighbourhood, and a traineeship programme (see page FI 4).

The Financial Inclusion Fund helps partner countries achieve UN Sustainable Development Goals 1, 5 and 8. It is designed to improve financial inclusion and access to responsible finance for micro, small and medium-sized enterprises in emerging and developing economies. This is achieved by providing technical assistance support to a range of inclusive financial service providers, to help them improve the quality of the financial and non-financial services that they offer to microentrepreneurs.

The Financial Inclusion Fund's operations have had an impact on people's lives. For example, the trust fund has helped:

- provide **digital financial services to almost 600 000 people** in remote and rural parts of Zambia;
- train **450 female microentrepreneurs in Morocco** in e-commerce;
- enable **200 000 female microentrepreneurs in Uganda** to access and use financial products.



## AREAS OF ACTION

Women's economic empowerment

Young entrepreneurs

Rural populations

Digitalisation

Climate action

As part of the trust fund's technical assistance projects with microfinance institutions, 13 000 hours of training have already been provided to over 22 000 people, with on-the-job coaching for some 3 000 people, to help them improve their internal management and IT systems, develop strategies, and enhance other institutional skills.

The trust fund's replenishment in 2023 has made it possible to support new operations. Future projects will focus on promoting the economic empowerment of women (50% will be aimed at gender and social inclusion), encouraging climate action and environmental sustainability, and advancing digitalisation in the least developed and low- and middle-income countries.

The impact of the trust fund's activities on people's lives is significant. Small entrepreneurs benefit from stronger digital platforms, have better financial knowledge, which makes them more resilient to market fluctuations and shocks, and have better access to the services they need. **It is therefore important to continue replenishing the trust fund with additional donor resources. Donors interested in supporting the microfinance sector and empowering vulnerable groups are encouraged to contribute.**

### PROJECT HIGHLIGHTS

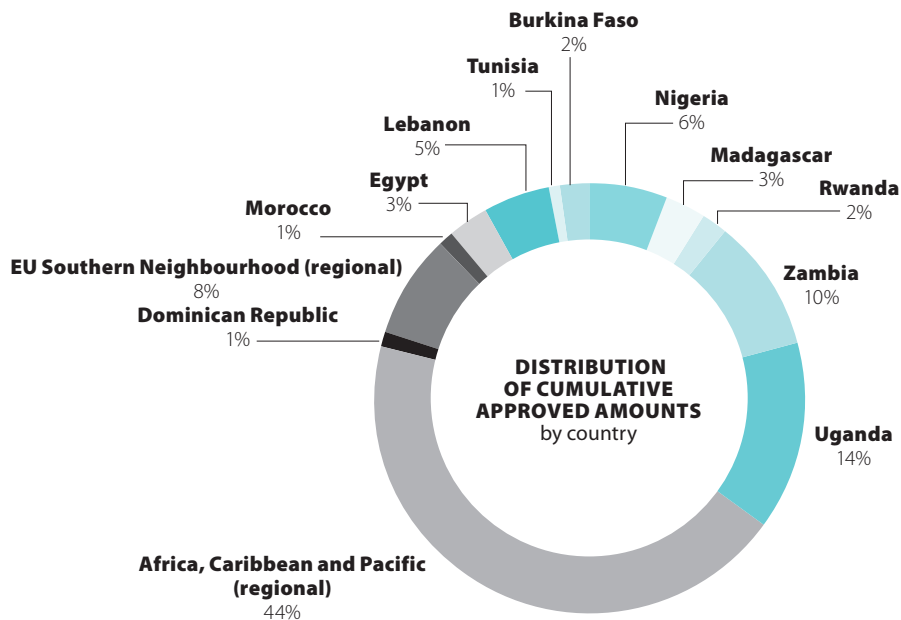
- Some 700 000 young people reach working age in Uganda every year. Pride Microfinance, a Ugandan microfinance institution, is using a €132 000 grant from the Financial Inclusion Fund to **equip 18-30-year-olds with financial literacy and business skills** to boost entrepreneurship and employment for the next generation. Under its Youth Inclusion programme, 606 people have already been trained in entrepreneurship and business management, business planning, and finance management. In addition, the programme promotes a healthy savings culture and aims to extend credit lines to young people in Uganda who would ordinarily be excluded from the formal financial sector.
- First City Monument Bank of Nigeria partnered with Women's World Banking to adapt the global non-profit organisation's successful **health microinsurance programme, Caregiver, to meet the needs of low-income women in Nigeria**. The programme embeds an affordable insurance product within an existing bank product (loan or saving). The Financial Inclusion Fund is supporting First City Monument Bank of Nigeria with €150 000 to help implement the programme locally and promote women empowerment.
- A two-year project **offering e-commerce training to 450 female business owners** came to an end in 2022. The project was carried out by Attadamoune Micro-Finance in Morocco, with the help of €63 000 in technical assistance from the Financial Inclusion Fund. The programme helped female-led businesses stay in touch with clients during the COVID-19 lockdowns. The women learned how to use digital tools to reach new clients and export their crafts and services. Attadamoune Micro-Finance plans to expand the e-commerce training and coaching programme to reach 2 500 women.

## FINANCIAL INCLUSION FUND AT A GLANCE

**€11.5 MILLION** in donor funds contributed

**€6 MILLION** allocated to operations

**33**  
operations



### SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



### OUR DONORS

This trust fund was created in 2019 in partnership with the **government of Luxembourg**. It remains open to contributions from other donors seeking to promote financial inclusion.

# GREEN HYDROGEN FUND

## ABOUT THE TRUST FUND

The Green Hydrogen Fund was set up in partnership with the German government in 2021 to help develop international markets for green, or renewable, hydrogen. The fund promotes the transformation of the global energy system to decarbonise economies through the use of renewable hydrogen in industry, in line with international climate targets as defined by the [Paris Agreement](#) and to achieve the [UN Sustainable Development Goals](#).

Transforming the global energy system and industrial sectors is essential in the fight against climate change. Electricity from renewable sources has an important role to play in climate action, but it alone cannot provide the energy needed for decarbonising sectors like the cement and chemical industries, or air and sea transport. Hydrogen, which releases no greenhouse gas emissions when burned, could address this shortfall. Hydrogen is produced from other energy sources; for it to be green, the sources must be renewable, for example using solar or wind power to separate water molecules, a process known as water electrolysis.

Through the fund, renewable hydrogen projects receive grant support and the technical assistance needed to achieve bankability and come to fruition:

**Investment grants** reduce the cost of renewable hydrogen and its derivative products to levels competitive with available alternative energy sources. The grants can be used for specific purposes, including purchasing equipment, facilities, and services, and are typically blended with financing from development finance institutions like the European Investment Bank (EIB).

**Technical assistance** can improve the quality, efficiency and sustainability of a project during the preparation or implementation phase. This can include pre-feasibility studies, proof-of-concept pilots, diagnostic studies before a project goes ahead, or other related advisory services, including policy advice to project promoters.

The trust fund's objective is to promote the sustainable development of renewable hydrogen and by-products beyond Europe's borders, where untapped natural renewable energy resources such as wind and sun abound. It targets projects with potential to export renewable hydrogen or its derivatives to Europe.



European Investment Bank | Global

## GREEN HYDROGEN FUND AT A GLANCE

**€459 MILLION** in donor funds contributed

### ELIGIBILITY

The trust fund supports the sustainable development of value chains in the production of renewable hydrogen (and derivative products) beyond the European Union, in line with [EU directives](#) and the [EU taxonomy](#).

Only projects that export to members of the European Economic Area and projects that have European companies in their value chain are eligible.

### AREAS OF ACTION

Decarbonisation  
Climate change mitigation

### SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



### OUR DONORS

This trust fund was created in partnership with the **German government**. The trust fund is open to contributions from other donors.





# WATER SECTOR FUND

## ABOUT THE TRUST FUND

The Water Sector Fund was developed by the European Investment Bank (EIB) and the Dutch government. It supports projects in low and lower middle-income countries whose public authorities have limited finances and lack the ability or resources to build water projects to a sufficient standard. Some people in these regions do not have basic sanitation or water supply. Furthermore, a link has been established between access to water and stability in countries [classified as fragile](#) by the Organisation for Economic Co-operation and Development (OECD).

Technical assistance provided thanks to this trust fund helps countries plan modern and innovative water projects and improve their water management. The water sector largely relies on public funding, but a lack of private sector financing makes it difficult to ensure that access to safe water and sanitation is more inclusive. In 2023, the fund invested for the first time in an equity fund targeting innovative businesses active in the water sector, to improve access to safe and affordable drinking water, mostly in Africa and Asia. EIB Global's anchor investment will secure other investments from private investors to the equity fund and therefore increase its impact.

**The fund's technical assistance** and advisory services support:

- institutional skill development for the staff of beneficiary entities;
- preparation of analyses (gender, social inclusion, market or product);
- design and drafting of tender and legal documents;
- project management, including the design of innovative solutions tailored to the needs of the unserved, and outreach to final beneficiaries.

**Financial instruments** can unlock financing from private and public investors by addressing some of the risks that hold back investments. These instruments cover investments in layered debt and equity funds, which emit high-risk and low-risk shares. The high risk taken by the donor attracts other investors, who are exposed to significantly lower risks. The layered debt and equity funds invest in water, sanitation and hygiene projects.

## ELIGIBILITY

The Water Sector Fund is active in **low and lower middle-income countries**, as defined by the [OECD Development Assistance Committee's list of recipients of official development assistance](#). It focuses on cities with more than 100 000 people, and clusters of smaller cities.



## MORE IMPACT ON THE GROUND

Projects supported by the Water Sector Fund can help accelerate progress towards the “Water for All” UN Sustainable Development Goal by upgrading water supply, sanitation, and hygiene services where they are most needed, particularly for the poorest and most vulnerable groups in low-income areas.

The projects also promote economic inclusion, social well-being, and gender equality. As the EU climate bank, the EIB pays particular attention to sustainability so that water resources are not depleted faster than they can be replenished naturally.

The trust fund has expanded its scope to provide financial instruments that reduce the risk of investments for private sector investors. To achieve the Sustainable Development Goals, development finance partners must collectively scale up their investment levels from billions to trillions.

The Water Sector Fund’s innovative financial instruments can help increase investment by mobilising additional funding from other financiers and investors to absorb first losses or share risks. In 2023, the fund supported its first private equity fund, the Water Access Acceleration Fund.

The EIB is the biggest lender worldwide to the water sector. Our total lending for water projects over the past six decades since the Bank’s creation amounts to more than **€80 billion** for more than **1 600 projects**.

### The Water Sector Fund supports operations that:

- improve **drinking water and sanitation** services in underserved areas;
- support **small firms that** are part of the water value chain in developing countries.

### SUSTAINABLE DEVELOPMENT GOAL SUPPORTED



## PROJECT HIGHLIGHTS

- A €10 million Water Sector Fund investment will enable the private equity Water Access Acceleration Fund to invest in small and medium-sized firms that are part of the water value chain. This will accelerate the improvement of access to safe and affordable drinking water in developing countries, primarily in Asia and sub-Saharan Africa. Supported companies are also expected to invest in new technologies and in climate adaptation. The Water Access Acceleration Fund's work is expected to result in better access to water treatment, supply and distribution for some **1.4 million people**. It is **the first Water Sector Fund investment in a private equity fund focusing on improving access to safe and affordable water**. The Water Sector Fund's commitment to the private equity fund was **singled out for its innovativeness** by Convergence, a global network which specialises in blended finance. The Water Sector Fund investment is expected to trigger participation from other investors and help the fund reach its target size.
- The northern Indian state of Uttarakhand is one of the fastest-growing states in the country, mainly thanks to its thriving manufacturing and tourism industries. However, this growth has led to rapid unplanned urbanisation which has created significant gaps in basic infrastructure and services, such as clean water supply and sanitation. A €488 000 feasibility study financed by the Water Sector Fund will help the state invest in modernising water and wastewater infrastructure. The project is expected to improve the population's living conditions to have a **positive impact on the daily lives of women** and on gender equality.
- Malawi's secondary cities have fast-growing populations but lack adequate water infrastructure. A €495 000 technical assistance programme helped Malawi's Southern Region Water Board ensure these **regional centres get the safe and sustainable water** they need. The technical assistance assignment was completed in 2023, paving the way for the implementation of Malawi's **Water Supply and Sanitation Programme**.
- 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 Burkina Faso's National Office for Water and Sanitation to prepare a project that can significantly improve the quality of life in the area **by bringing sustainable access to running water and sanitation** to residents' homes and by improving wastewater management in the nearby city of Koudougou.

### AREAS OF ACTION

Water infrastructure for underserved households  
Innovative water projects  
Water management  
Climate action



## WATER SECTOR FUND AT A GLANCE

**€28.3 MILLION** in donor funds contributed

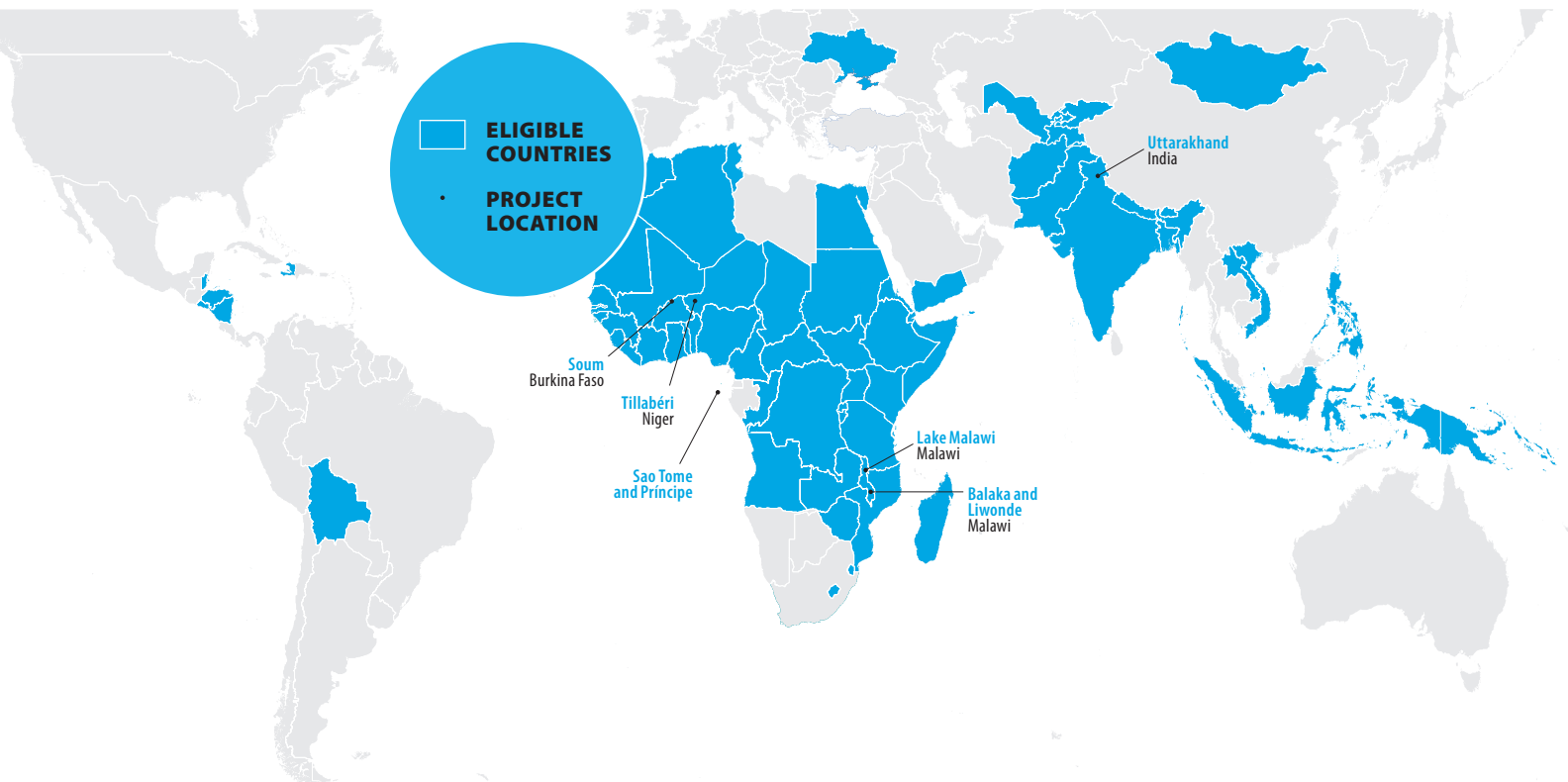
**€13.7 MILLION** allocated to operations

**€724 MILLION** of expected total investments supported

**7**  
operations

### ELIGIBLE COUNTRIES

The Water Sector Fund is currently active in sub-Saharan Africa but **developing countries** around the globe are eligible and can benefit from the trust fund's support.



The Water Access Acceleration Fund is interested in projects in developing countries, with a focus on emerging markets in Africa and Asia.

**Note:** The European Investment Bank does not endorse, accept or judge the legal status of any territory, boundaries, colours, denominations or information depicted on this map.

### OUR DONORS

This trust fund was launched in partnership with **the Dutch government** and remains open to contributions from other donors seeking to achieve UN Sustainable Development Goal 6 – Water for All.













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 equity investments and partial portfolio guarantees to achieve a lasting impact on the ground and improve the lives of millions of people.

## READ OUR EIB GLOBAL IMPACT REPORT

