



GGF SUPPORTS SERBIA'S CLIMATE GOALS BY CO-FINANCING TWO PIONEERING WIND FARMS

- GGF co-finances two of the first large-scale wind projects in the country
- 42 MW wind farm supported by GGF with EUR 13.5 million and 158 MW wind farm supported by GGF with EUR 18.35 million

Luxembourg, 5 June 2018 – The Green for Growth Fund (GGF), advised by Finance in Motion GmbH, has demonstrated its support for Serbia's commitment to achieve 27 percent of its energy consumption from renewable energy sources by 2020, through recent investments in two of the first large-scale wind farms in the country – the Alibunar wind farm and the Čibuk 1 wind farm. These projects mark the rollout of wind farms as a primary renewable energy source for Serbia and are the result of a combined effort between the nation's government, project sponsors and in particular the development finance community, to create a bankable renewable energy framework for the country.

The GGF is supporting the 42 MW Alibunar wind farm with EUR 13.5 million of financing through an International Finance Corporation (IFC) B loan. The IFC, a member of the World Bank Group, serves as the Lender of Record and structuring bank for the project. The Alibunar wind farm is being developed by Elicio NV, a Belgian renewable energy company, near the town of Alibunar in northeastern Serbia. The wind farm is comprised of 21 turbines from the German wind turbine manufacturer Senvion. Construction is now almost completed.

The GGF is also contributing EUR 18.35 million to the 158 MW Čibuk 1 wind farm, the largest wind project in Serbia and the Western Balkans to date. The GGF is a B lender to the European Bank for Reconstruction and Development (EBRD), who together with the IFC, led the structuring of the transaction. Together, the EBRD and the IFC are providing the financing package of EUR 215 million in total, partially through syndication. The wind farm is being built by Vetroelektrane Balkana d.o.o., owned by Tesla Wind, a joint venture between Masdar, a renewable energy company based in Abu Dhabi, DEG German Investment and Development Corporation, and Taaleri Group, a Finnish asset management company. It will be comprised of 57 wind turbines from General Electric.

The Alibunar and Čibuk wind farms are among the first renewable energy utility-scale projects in the country, paving the way for the opening up of the renewable energy sector in Serbia. Through these two projects, the GGF will help to reduce greenhouse gas emissions by approximately 50,000 metric tons per year.

GGF Chairman Christopher Knowles said: "We are proud to support the growth of the renewable energy sector in Serbia at its inception. The fund fosters growth of renewable energy in Southeast Europe and this is a trailblazing example for the region. We are pleased to support the ambitions of the Serbian government in working towards a sustainable energy supply."

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ABOUT THE GGF

The Green for Growth Fund invests in measures designed to cut energy use and CO₂ emissions by a minimum of 20% in 19 markets across Southeast Europe, the Caucasus, Ukraine, Moldova, the Middle East and North Africa. The fund provides financing to local partners that on-lend to enterprises and private households, and it invests directly, primarily through the contribution of senior debt, in renewable energy projects. The GGF's Technical Assistance Facility maximizes the fund's investment impact through support for capacity building at local financial institutions and partners.

The GGF was initiated as a public-private partnership in December 2009 by Germany's KfW Development Bank and the European Investment Bank, with financial support from the European Commission, the German Federal Ministry for Economic Cooperation and Development, the EBRD, and the Austrian development bank OeEB. The fund's growing investor base comprises donor agencies, international financial institutions and institutional private investors, including the IFC, the Dutch development bank FMO, the German ethical bank GLS, and Church of Sweden. The GGF is advised by Finance in Motion GmbH. MACS Management & Consulting Services GmbH, Frankfurt am Main acts as the technical advisor. For more information see www.ggf.lu

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