



GREEN FOR  
GROWTH FUND

# ANNUAL IMPACT REPORT 2017

Mission and key figures

Greetings

## KEY FIGURES 2017

449.9

million

Total investor commitments (in Euro)

396.4

million

Investment portfolio outstanding (in Euro)

59

Partner institutions the GGF has invested in to date

60

Partner institutions the GGF has financed and/or provided with technical assistance

19

Target countries of the GGF

241

GGF Technical Assistance Facility projects to date

496

thousand

Metric tons of CO<sub>2</sub> saved annually through GGF-funded energy efficiency and renewable energy investments

1,913

GWh saved annually through GGF-funded energy efficiency and renewable energy investments

17

Investors and donors to date who have committed funds to the GGF

**WHAT WE DO** THE GREEN FOR GROWTH FUND CONTRIBUTES TO ADVANCING ENERGY EFFICIENCY, RENEWABLE ENERGY AND RESOURCE EFFICIENCY IN SOUTHEAST EUROPE, THE CAUCASUS, AND THE MIDDLE EAST AND NORTH AFRICA (MENA). THROUGH ITS PUBLIC PRIVATE PARTNERSHIP STRUCTURE AND LAYERED RISK-RETURN PROFILE, THE FUND PROVIDES DEDICATED FINANCING FOR INVESTMENTS IN ENERGY EFFICIENCY AND RENEWABLE ENERGY TO BUSINESSES AND HOUSEHOLDS BY PARTNERING WITH FINANCIAL INSTITUTIONS AND THROUGH DIRECT FINANCING.

### ENERGY SAVINGS

201,000  
Egyptian households



The annual energy saved by the GGF's investment portfolio (1,913 GWh) equals the yearly primary energy consumption of more than 201,000 Egyptian households.

CHRISTOPHER KNOWLES  
Chairman of the Board of Directors



## LETTER FROM THE CHAIR

On behalf of my fellow Directors, I am very pleased to present to you this redesigned Annual Impact Report. In keeping with the GGF's green mission, we have focused the print version of this report on a few key messages about how the fund creates impact and created a web version with greatly enhanced content.

2017 marked a number of milestones in achieving the mission set by the fund's initiators and investors. The year saw the fund finance its 25,000th sub-loan, with investments, and hence impact, in 17 of its 19 countries of operation. These investments reduced energy consumption equal to that of more than 200,000 Egyptian households. You can meet some of the individuals benefiting from these investments in our client impact videos online. The GGF also surpassed EUR 100 million in private capital – over 20% of its funding – proving that a properly-structured vehicle can attract investment for green finance to challenging emerging markets.

We thank you for your interest in the GGF, and hope that you will visit the online Annual Impact Report to learn more about the fund's work.

CHRISTOPHER KNOWLES



## THE INVESTMENT ADVISOR TEAM

Dr. Thomas Schiller, Sylvia Wisniowski, Lloyd Stevens, Elvira Lefting, Mario Jertz, Maja Gizdić, Carrie Walczak, Florian Meister

## LETTER FROM THE INVESTMENT ADVISOR TEAM

We would like to join the board in thanking you for your interest in the fund. We would also like to recognize the work of the board in implementing the vision of the shareholders – without their clear guidance and direction, the GGF would not be the leading regional channel of green finance that it is today. The continued support of our expanding base of investors, with commitments nearing EUR 500 million, is critical to the fund's continued success.

Through its market-based approach supported by best-in-class technical assistance, the fund has cumulatively invested over half a billion euros with 59 partners in 17 markets and ended 2017 with a committed portfolio of over EUR 450 million. These investments in turn annually save 1.9 million megawatt hours of energy and reduced CO<sub>2</sub> emissions by 495,551 metric tons. Going forward, the fund will also report on other key measures of impact, such as water saved and waste reduced, to more fully reflect the benefits catalyzed by the fund.

We are happy to report that we achieved in 2017 everything we set out to do, while continuously renewing the GGF and setting the bar ever-higher. Thank you again for your attention.

FINANCE IN MOTION

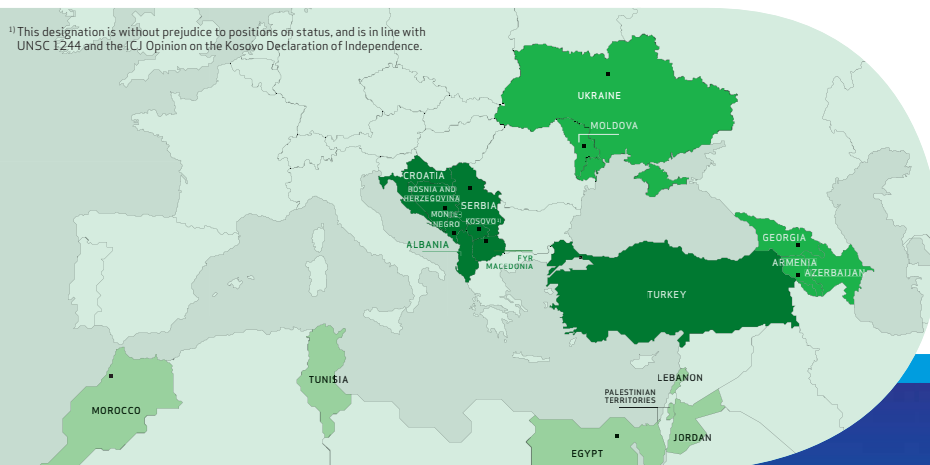
MACS MANAGEMENT AND CONSULTING SERVICES

Elvira Lefting

Lloyd Stevens

Dr. Thomas Schiller

<sup>1)</sup> This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.



## THE GGF TARGET REGIONS

# HOW DOES THE GGF ACHIEVE IMPACT

THE GGF IS SUPPORTED BY LEADING DONORS, INTERNATIONAL FINANCIAL INSTITUTIONS AND PRIVATE INVESTORS.



KfW



Church of Sweden

Deutsche Bank



## CO<sub>2</sub> SAVINGS

**172,000**  
tons of waste



The annual CO<sub>2</sub> emissions reduced by the GGF's investment portfolio (495,551 tCO<sub>2</sub>) equals 172,000 metric tons of waste recycled instead of landfilled.

The GGF surpassed major milestones in 2017, increasing the total financing it has provided to final borrowers since inception by more than a third, to over EUR 600 million, across more than 25,000 individual projects. At the same time, the fund has maintained high levels of impact in terms of reducing energy use and CO<sub>2</sub> emissions. To track and manage the impact of this growing portfolio of projects, the GGF collects detailed data on every individual sub-loan using a dedicated online reporting tool.

These results have been achieved across an ever-increasing number of geographies, including the GGF's first financed projects in the MENA region, and with a wide range of recipients that characterize the fund's flexible and inclusive approach, including private households, small and medium sized enterprises (SMEs), corporates, agricultural producers and commercial project developers.

This success relies not only on the financial structures that underpin the GGF and which allow it to operate across regions and contexts, but also on the support that is provided to partner institutions and national stakeholders to effectively engage with green energy finance. The fund combines its financial offering with tailored technical assistance to build capacities with partners and across the investment ecosystem, ensuring that energy efficiency, renewable energy and improved resource management move toward the mainstream.

How does the GGF achieve impact?

Client stories





### GREEN LEASING IN TUNISIA

The GGF has become a key supporter of green leasing in Tunisia since its expansion to the MENA region in 2016. Although comprising less than 10% of the financial sector in Tunisia, leasing institutions are an important channel to help SMEs gain access to finance. This is vital in the region, where SMEs play a large role in private sector employment and contribute significantly to economic development. Support from the GGF has financed upgrades across many sectors – such as food and beverage production, commercial transport and printing services – which not only deliver energy savings, but also improve overall competitiveness and productivity.

Find out more at the online report



### DELIVERING WIND POWER IN SERBIA

Serbia has ambitious goals to raise the share of energy consumption from renewable sources to 27% by 2020. This includes adding almost 500 MW of wind power capacity as part of a shift away from coal-based generation. The GGF is playing a vital role in this transition through its support of an expected 200 MW of this growth, approximately 40% of the country's target, by providing financing both through local financial institutions, as well as directly to projects in collaboration with international financial institutions.

**350**

modern wind turbines



### ENERGY SAVINGS

The annual energy saved by the GGF's investment portfolio (1,913 GWh) equals the yearly electricity production of almost 350 modern wind turbines.



Find out more at the  
online report

[WWW.GGF.LU/IR2017](http://WWW.GGF.LU/IR2017)

#### DISCLAIMER

The Fund is a specialized investment fund governed by Luxembourg law and is reserved for institutional, professional or other well-informed investors as defined by Luxembourg law. The adequacy or accuracy of the issue document or the assets held in the Fund have however not been approved or disapproved by any authority. The information given herein constitutes neither an offer nor a solicitation of any action based on it, nor does it constitute a commitment of the Fund to offer its shares to any investor. No guarantee is given as to the completeness, timeliness or adequacy of the information provided herein. No investment may be made except upon the basis of the current issue document of the Fund, which is obtainable free of charge from Finance in Motion GmbH, 43, Rue Sainte Zithe, L-2763 Luxembourg.

Shares or notes of the Fund are not for distribution in or into the United States of America, Canada, Japan or Australia or to any U.S. person or in any other jurisdiction in which such distribution would be prohibited by applicable law. All forward-looking statements have been compiled on a best efforts basis, taking into account multiple variables which may be subject to change, including, without limitation, exchange rates, general developments in banking markets and regulations, interest rate benchmarks, and others. Actual developments could differ from the expectations expressed in forward-looking statements. Past performance is not a reliable indicator of future results. Prices of shares and the income from them may fall or rise and investors may not get the amount originally invested. The Fund is under no obligation to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

Neither the Fund nor any of its shareholders, directors, officers, employees, advisors or agents makes any representation or warranty or gives any undertaking of any kind, express or implied, as to the actuality, timeliness, adequacy, accuracy, correctness, reliability, completeness or suitability for any investor of any opinions, forecasts, projections, assumptions and any other information contained in, or otherwise in relation to, this document or assumes any undertaking to supplement any such information as further information becomes available or in light of changing circumstances. No liability of any kind whatsoever is assumed by the Fund or any of its shareholders, directors, officers, employees, advisors or agents in relation to any such opinions, forecasts, projections, assumptions or any other information contained in, or otherwise in relation to, this document. The content of this information is subject to change without prior notice.

This document does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. The information in this document does not and shall not be construed to constitute the provision of investment, legal, tax or any other advice. It has been prepared without regard to the individual financial and other circumstances of persons who receive it.

© GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) 2018. ALL RIGHTS RESERVED.

Translation, reprinting, transmission, distribution, presentation, use of illustrations and tables or reproduction or use in any other way is subject to permission of the copyright owner and acknowledgment of the source.

#### GET IN TOUCH FOR GENERAL INQUIRIES

Finance in Motion GmbH  
Fund Advisor  
Lloyd Stevens  
Carl-von-Noorden-Platz 5  
60596 Frankfurt am Main

T +49 (0)69 271 035 0  
F +49 (0)69 271 035 110  
E [l.stevens@finance-in-motion.com](mailto:l.stevens@finance-in-motion.com)



PHOTOGRAPHS: Fahira Becic, Charles Caratini, Aleksandar Letic, Nadir Mavrović, Adam Sevens, Zurab Tauri, Dario Sabljak/shutterstock, dadamira/terex - Fotolia.com

How does the GGF achieve impact?

Client stories