

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 CO₂ 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.