



IFC OFFERS ITS CLIENTS GLOBAL PERSPECTIVE, LOCAL PRESENCE, AND INDUSTRY EXPERTISE IN SUSTAINABLE BUSINESS.

### GLOBAL PERSPECTIVE

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector. IFC began investing in firms in developing countries in 1956, and currently has a committed portfolio of US\$55.2 billion.

We operate from over 100 offices in 94 countries. IFC started formal environmental and social screening of its investments in the early nineties and became the acknowledged world leader on these issues when the Equator Principles were launched in 2004.

Today, climate-smart business is a core priority for IFC in both its investment and advisory work, where we help clients position themselves in a new green economy. We support sustainable finance, clean energy, resource efficiency, sustainable agriculture, and adaptation to climate change.

Capital invested from IFC's own account in climate-related projects grew from \$221 million in FY05 to \$1.7 billion in FY11, representing 4% of IFC's total commitments. Yet, commercial investing is just one facet of IFC's work, which also includes concessional funding, technical assistance, primary research on the commercial risks of climate change, and building consensus for standard setting. Across these fields, IFC committed \$5.3 billion to 91 sustainable development projects in FY11.

### IFC'S CLIMATE-RELATED PROJECTS IN LAC



### LOCAL PRESENCE IN LAC

In Latin America and the Caribbean, IFC invested \$624 million in 21 climate-related projects in FY11. This represented 20% of IFC LAC's \$3 billion investments from its own account. All told, IFC LAC has committed \$1.6 billion to 94 climate-related projects since the program's inception in 2005, and increased its climate commitments by 750% through FY11.

IFC has consistently expanded its sustainable development investments in the region over the years. This reflects the fact that Latin America and the Caribbean have abundant renewable energy resources, and that these resources are expected to be impacted by climate changes in the future. These realities create opportunities for clients to strengthen their operations and infrastructure and position themselves in the new green economy.

The region has already enjoyed decades of growth with clean power thanks to its low use of coal-fired plants and reliance on hydro-electricity. IFC is building on these successes and expanding into areas such as wind, solar, geothermal, biomass, resource efficiency, recycling, cleaner production lines, carbon sequestration, avoided deforestation, climate change funds, and funding to local financial institutions to lend to an array of climate-friendly projects.

### INDUSTRY EXPERTISE IN SUSTAINABLE BUSINESS

IFC applies its investment, advisory, and asset-management services across four areas of expertise in sustainable development:

#### Sustainable Finance

- IFC provides financing and mobilization capacity to encourage financial institutions to lend and invest in sustainable projects.
- IFC has executed more than 60 sustainable finance projects in 29 countries with an IFC investment amount of \$1.8 billion, and over \$2.5 billion in private capital.

#### Clean Energy

- IFC invests in venture and growth-stage clean energy companies in wind, solar, geothermal, biomass, and hydro industries.
- In FY11, we committed \$428 million worldwide to renewable energy projects, which represented 70% of all IFC power capacity investments.

#### Resource Efficiency

- IFC finances the implementation of energy, water, and other resource efficiency initiatives across sectors by supporting solution-providers and buyers.
- We have been active in sectors such as cement, metals, pulp, chemicals, food processing, green buildings, and water and energy distribution.

#### Sustainable Agriculture

- IFC promotes sustainable standards in agribusiness through investments that help raise corporate environmental standards.
- We are experts in helping agriculture companies grow, cut costs, reduce waste and emissions, and plan for climate risks.



## PROJECT HIGHLIGHTS

### GLOBAL EXPERTISE

#### Sustainable Finance

##### Bank of Philippine Islands

IFC supported the Bank of Philippine Islands with an aggregate of US\$58m in risk-sharing facilities and advisory services to grow BPI's capacity to assess and supervise energy-efficiency and renewable-energy investments, such as low-carbon transport.

#### Clean Energy

##### Azure Power Private Ltd., India

In FY10, IFC took a \$10 million stake in Azure Power Private Ltd., which developed India's first 2 MW, utility-scale solar plant, powering 32 villages in Punjab. And in FY12, Azure opened a 5 MW plant on its way to a nationwide goal of 100 MW.

#### Resource Efficiency

##### Mriya Agroholding, Ukraine

IFC's Clean Production Lending Facility loaned \$5 million to Mriya Agroholding, a successful Ukrainian agro producer, to boost its operational processes and reduce energy consumption, water use, and CO2 emissions.

#### Sustainable Agriculture

##### Climate-resistant seeds, Bangladesh

Through its advisory services program, IFC is supporting Bangladesh's seed supply chain by working with four of the country's largest private seed companies (Energypac Agro-G, Supreme Seed, ACI, and Lal Teer) to produce and market stress-tolerant seeds and train farmers in using them.

### LOCAL PRESENCE IN LAC

##### BBVA Banco Continental, Peru

IFC provided a credit line and technical assistance to BBVA Banco Continental in 2006 for energy efficiency and renewable energy loans. BBVA has disbursed 69 loans with a total value of \$34 million.

##### San Jacinto Geothermal, Nicaragua

IFC provided a \$50m loan and mobilized \$140m to support the construction of Nicaragua's largest greenfield geothermal power project in over 25 years - promoting renewable energy, electrification, and energy independence for the country.

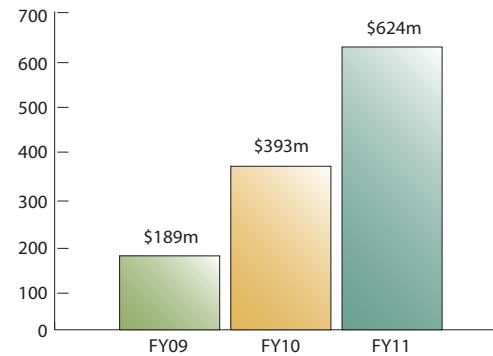
##### Optima Energia, Mexico

IFC's \$10 million loan to Optima Energia helped support the company's balance sheet so it could increase the energy efficiency of hotel clients in Mexico, cutting energy and water costs by 40%. The company has saved its clients over \$14 million per year.

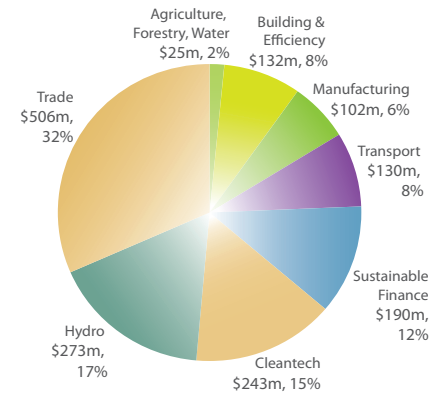
##### ItaFos, Brazil

A \$40m loan and \$35m investment in MBAC fertilizer project ItaFos to expand sustainable agricultural production in Northeast Brazil. The project was supported by IFC's Environment and Social Review Process and Amazon Initiative.

IFC LAC Climate Commitments by Year (US\$ Millions)



IFC LAC Climate Commitments by Industry (Since June 2005)



### INVESTMENT PRODUCTS IN SUSTAINABLE BUSINESS

IFC offers a number of sustainable-business investment products to help companies grow, increase efficiencies, manage risk, and broaden their access to foreign and domestic capital markets.

#### Our financial products include:

- Loans from IFC's account
- Syndicated loans
- Equity investments
- Quasi-equity investments
- Equity & debt funds
- Trade finance
- Risk management products
- Local currency financing
- Subnational finance
- Carbon finance and credits
- Concessional finance

#### Our sustainable investments target:

- Water and energy efficiency
- Renewable energy generation
- Sustainable agriculture
- Sustainable industry supply chain
- Carbon sequestration
- Avoided deforestation
- Banks investing in clean energy
- Venture & growth-stage companies
- Climate change funds
- Climate-proofing infrastructure

### ADVISORY SERVICES IN SUSTAINABLE BUSINESS

IFC's Advisory Services help ensure that clients' projects are sustainable. We provide the following solutions to sustainable businesses and industries:

**Resource efficiency and cleaner production advice:** IFC helps clients optimize project/process designs and identify retrofit opportunities to achieve greater efficiency in energy, water, and other resources.

**Clean energy scale-up and energy-access initiatives:** IFC supports scale-up of grid-tied and off-grid clean energy with regulatory advice, improved access to finance, and by addressing informational barriers to market development.

**Climate risk assessments:** IFC performs risk assessments with clients in hydropower, agribusiness, infrastructure, manufacturing, and finance. And it develops analytical tools to help clients plan for adaptation to climate change.

**Standard setting:** IFC works with clients to meet our Environmental and Social Performance Standards, which are widely applied by commercial banks via the Equator Principles. These standards help companies bolster their brands.

**Contact IFC LAC:** Go to [www.ifc.org/lac](http://www.ifc.org/lac) to contact an IFC LAC officer by email or phone and learn how IFC can help grow your sustainable business.