

Expert forum: Blended finance for climate and energy investments

To achieve the Sustainable Development Goals (SDGs) of the United Nations, there is an estimated funding gap of \$3.7 trillion annually. Since the budgets of official development aid (ODA) alone cannot achieve this, calls for the mobilization of private capital abound. Yet, private investors are often cautious about investments in emerging economies due to perceived risks. Blended finance is the use of catalytic capital from public or philanthropic sources to increase private sector investment in sustainable development¹. Blended finance instruments such as structured funds and guarantees bring together investors with different risk-return profiles to finance shared impact objectives.

Hosted by ESMT Berlin, Germany's # 1 business school, and supported by the Bill and Melinda Gates Foundation, the event will explore lessons learned on existing blended finance transactions related to climate and energy. It brings together European development finance institutions, institutional investors and impact asset managers to reflect how to increase the leverage of blended finance. It is also open to large foundations and family offices with an interest in climate finance.

The event is taking place in conjunction with the Berlin Energy Transition Dialogue 2023 hosted by the German Federal Government.

March 27, 2023, ESMT Berlin

Schlossplatz 1, 10178 Berlin

Draft program (Chatham House rules apply)

13:00: Registration and coffee

13:45: Opening remarks

Jörg Rocholl, President, ESMT Berlin

Olga Almqvist, Senior Manager, Societal Impact Financing Initiative (SciFi)

14:00 – 15:00: Panel: How to tackle the climate crisis jointly by overcoming silos between different investor types.

Moderator: Jörg Rocholl, ESMT Berlin

Panelists:

- Markus Aschendorf, KfW
- Christoph Kuhn, European Investment Bank
- Claudia Kruse, APG Asset Management
- Anja Langenbucher, Bill and Melinda Gates Foundation
- Hans Peter Lankes, Grantham Research Institute

¹ Definition by Convergence: <https://www.convergence.finance/blended-finance>

15:15 – 16:30 Case study session 1

How concessional funding can help mobilize private investment

Moderator: Katharina Birgmeir, Allianz Investment Management

- **CEI Africa**

Babette Stein von Kamienski, KfW

Development facility targeting €500 M, mobilizing private capital from retail investors via crowd funding on digital platforms. Stakeholders include: KfW, CEI Africa Foundation

- **EU-Catalyst Partnership**

Ann Mettler, Breakthrough Energy

Partnership expecting to mobilize €820 M. Stakeholders include: Breakthrough Energy, EIB

- **Mirova Gigaton Fund**

Sebastian Duquet, Mirova SunFunder

A \$500 M blended debt fund with \$250 M of super senior notes dedicated to private institutional investors, a fund that provides direct financing to clean energy projects in Africa and Asia

16:45 – 18:00 Case study session 2

Waterfall structures to improve risk-return profiles in emerging markets

Moderator: Aleksi Lumijärvi, Nordic Development Fund

- **Climate Investor Two**

Jim Brands, Climate Fund Managers (TBC); David Kuijper, FMO (TBC)

Blended finance facility targeting a final close of \$1 B. Stakeholders include: FMO, KLP, IMAS Foundation, Sanlam, Aegon, BNG Bank, EC, Nordic Development Fund

- **Emerging Market Climate Action Fund**

Martin Ewald, Allianz Global Investors; Gunter Fischer, EIB

Fund-of-funds targeting €500 M equity investments. Stakeholders include: KfW on behalf of BMWK and BMU, EIB, NDF, Folksam and Allianz

- **Green for Growth Fund**

Borislav Kostadinov, Fund Director, Finance in Motion

Fund channeling green financing to businesses and households through local financial institutions and direct financing. Investments of €1.5 B to date. Investors include: EIB, KfW, BMZ, EBRD, FMO, IFC, OeEB, EC, ASN Bank, GLS Bank, Deutsche Bank, Vorsorgekasse AG, Stichting Democratie, Raiffeisen Bank International

19:00 – 21:00 Networking dinner

Participants are invited to dinner at the Humboldt Forum Restaurant, right across the street from ESMT.

Registration and more information via

Olga Almqvist

Senior Manager, Societal Impact Financing Initiative (SciFi)

Olga.almqvist@esmt.org