

AGL IN NUMBERS

FUND



CONTENT

ACL PORTFOLIO TO DATE

MAIN ACL FUND ACHIEVEMENTS

In 2019, nine technical cooperation projects were approved. After two years, the ACL Fund portfolio has a total of 19 projects for US\$ 15 million and leveraged a total of US\$ 687 million in investments loans. All ACL Fund initiatives are supporting LAC countries to comply with their NDCs and other climate commitments.

OUR ACTIONS ARE POWERED BY:



Many governments have set up Trust Funds (TFs) at Multilateral Development Banks (MDBs) to channel public finance for climate change mitigation and adaptation purposes. The number of TFs increased rapidly between 2000 and 2009, with a slowdown of growth afterwards. If no new TFs are added in the future, the number of TFs would stabilize at about 50% of current levels in the second half of the 2020s, as most MDB TFs are time-bound. In this context, The Inter-American Development Bank (IADB) remarkable experience has been highlighted as special inasmuch it has an umbrella approach for its TFs that could serve as a model for other MDBs.

*Source: Climate Change-related Trust Funds at the Multilateral Development Banks Report, GIZ 2020.



OBJECTIVE:

Support national and subnational entities to identify, plan, design, and manage sustainable investments to accelerate the delivery of sustainable investment projects consistent with countries' Nationally Determined Contributions (NDCs) and other climate change objectives.

WORK AREAS:

Approved in 2019

Transport & Energy	Water & Housing and Urban Development	Private Sector	Resources and Natural disaster	Capital Markets	CROSS-CUTTING
<ul style="list-style-type: none"> Resilient transport infrastructure & blue spot analysis Clean buses regional Initiative Sustainable metroriel Resilient transport in Central America & Caribbean Comprehensive renewable energy program and Institutional reform in the Bahamas 	<ul style="list-style-type: none"> Resilient urban watershed Riverside urban resilience Climate change across urban interventions Climate resilience and urban preservation for Paramaribo Construction of a pipeline with potential for private sector participation for the sustainable management of urban solid waste in Brazil 	<ul style="list-style-type: none"> Mobilization of private capital and development of PPPs for SI projects Foster EE & RE - Regional program for small countries and Islands The Caribbean water utilities mutual insurance Advisory services to support the displacement of fossil fuel-based electricity in Chile 	<ul style="list-style-type: none"> REDD + Facility Climate and disaster risk management mechanism regional program 	<ul style="list-style-type: none"> Regional Green Bonds Program: Sovereign and Sub-sovereign green bonds 	<ul style="list-style-type: none"> Implementing green procurement FINEP Clima: Fostering climate technology and innovation to deliver Brazil's NDCs

ACL FUND PORTFOLIO TO DATE

No.	APPROVAL YEAR	COUNTRY	AMOUNT
1	2017	Guatemala	\$653,231.00
2	2017	Peru	\$500,287.00
3	2017	Regional	\$1,200,000.00
4	2018	Dominican Republic	\$650,000.00
5	2018	Panama	\$500,000.00
6	2018	Paraguay	\$450,000.00
7	2018	Regional	\$1,000,000.00
8	2018	Regional	\$990,000.00
9	2018	Regional	\$700,000.00
10	2018	Regional	\$700,000.00
11	2019	Bahamas	\$750,000.00
12	2019	Brazil	\$700,000.00
13	2019	Brazil	\$750,000.00
14	2019	Chile	\$350,000.00
15	2019	Regional	\$1,900,000.00
16	2019	Regional	\$750,000.00
17	2019	Regional	\$800,000.00
18	2019	Regional	\$400,000.00
19	2019	Suriname	\$650,000.00



MAIN AGL ACHIEVEMENTS

FUND

- In two years, with a funding of US\$ 15 million (including co-financing), the ACL Fund has leveraged a total of US\$ 687 million made up of five loans from the IDB and three loans from external funds with sources such as CTF, GEF and Governments.
- Enabling markets for a total of US\$ 9.4 billion by securing the approval of the following projects: (i) Five APPs tenders; the issuance of the first Green Bond in the region in Chile; and the first Social Sovereign Bond in Ecuador.
- Supporting clients: 80% of the ACL Fund portfolio is strategically providing operational support to clients (public and private sector) by leveraging climate funds and contributing to the IDB's 30% climate finance target.
- Strengthening resilience: 63% of the funds are focusing on adaptation and resilience to climate change.

Unlocking Market Forces 5 bids on Infrastructure projects from Private Sector, 1 Green Bond (2 issuances) + 1 Social Bond issuance

Mobilization of 5 IDB loans + 3 external resources operations as of activities supported by the ACL

Portfolio of 19 projects approved with total amount of USD\$ 15.08 Million



FLAGSHIP PROJECTS:

- Development of capital markets: In 2019 as part of the regional green bond program, Chile issued the first sovereign green bond in the region for a total of US\$ 1.42 billion and launched the green bond transparency platform to promote a standardization and harmonization of LAC green bond reporting mechanism.
- Nature-based solutions (NBS) and urban resilient infrastructure approaches to watershed management designed in Panama, Surinam and Paraguay. Standardized approach for replicability in the Caribbean Region and vulnerable countries.

Juan Diaz Resilient Urban Watershed

PN-TI219

Every year in Panama City, the wet season running from June to December brings the risk of flooding in vulnerable neighborhoods. Rapid urbanization related to economic growth has resulted in increasing vulnerability of the city.

The operation supports the implementation of the "Resilient Urban Watershed Program", designed to improve the quality of urban habitat in Panama City through investments to reduce climate vulnerability, improve the conditions of environmental assets and the management of urban growth. The program includes the development of flood risk mitigation interventions and the reduction of climate vulnerability, as well as complementary interventions to improve urban habitability and public spaces along the watershed.

The technical cooperation has allowed to have a robust analysis of flooding risk at the upper Juan Diaz River watershed and to propose nature-based solutions (NbS) to improve its resiliency. The analysis includes the following aspects: (i) Hydrological watershed models, (ii) green Infrastructure solutions for public areas and (iii) cost-benefit conservation measure scenarios to generate not only more sustainable infrastructure solution but also knowledge to replicate and scale up in other vulnerable cities from our region.



The ACL continues to focus on the identification of replicable projects and the structuring of financial instruments that build trust, create market opportunities, and attract more investments towards climate resilient initiatives.

