



IFC's Approach

Our support to emerging market FIs includes:

- Establishing partnerships with consultants, technology vendors, and energy service companies (ESCOs) to build a pipeline of new business.
- Mobilizing donor funding to provide advisory services for FI capacity building and training, including market analysis, product development, and credit risk manager training.
- Creating financial structures tailored to the needs of diverse markets and providing funding including credit lines and senior loans, risk sharing products and guarantees, mezzanine financing, and subordinated debt and risk capital.

ADVISORY SERVICES

IFC enhances its climate change mitigation and sustainable finance investments with advisory services tailored to client and market needs including:

Business Development Support

- Analyzing local market potential and regulatory framework
- Developing product offerings which exploit the client's competitive advantage and market position

Capacity Building and Training

- Building the capacity of relationship managers to help them identify opportunities within their portfolio
- Training credit officers to evaluate sustainable energy projects and risk mitigation techniques
- Providing global carbon expertise and developing aggregation mechanisms such as programs of activities through FIs under the Clean Development Mechanism of the Kyoto Protocol.



The FT Sustainable Banking Awards

IFC co-sponsors the Sustainable Banking Awards with the *Financial Times*. Awarded in London each June, they honor banking innovators whose business practices reflect a genuine commitment to values and practices consistent with sustainability.

Sustainable Bank of the Year:
2008: Banco Real, Brazil
2007: ABN Amro, Netherlands
2006: HSBC, United Kindom

Emerging Market Bank of the Year:
2008: Banco Real, Brazil
2007: ABN Amro, India
2006: Banco Real, Brazil



IFC: The Partner of Choice

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. We foster sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. Our new investments totaled \$16.2 billion in fiscal 2008, a 34 percent increase over the previous year.

OUR SHARED VISION is that people should have the opportunity to escape poverty and improve their lives.

OUR CORE VALUES are

- Excellence
- Commitment
- Integrity
- Teamwork

OUR PURPOSE is to

- Promote open and competitive markets in developing countries
- Support companies and other private sector partners
- Generate productive jobs and deliver basic services
- Create opportunities for people to escape poverty and improve their lives

IFC: KEY FACTS

- **Credit Rating:** Triple-A (Moody's, Standard & Poor's)
- **Portfolio:** \$25.4 billion, representing 1,410 investments in 116 countries (as of June 30, 2007)
- **Total Staff:** Approximately 3,100 (50 percent of whom are based outside of Washington, D.C.)
- **Number of Transactions Committed in Fiscal Year 2007:** 299
- **Industry Coverage:**
 - Global financial markets; private equity and investment funds
 - Global manufacturing and services; agribusiness; health and education
 - Infrastructure; information and communication technologies; oil, gas, mining and chemicals; subnational finance

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2008



IFC

**International
Finance Corporation**
World Bank Group

Sustainability and Climate Change

OPPORTUNITIES IN FINANCIAL MARKETS



**International
Finance Corporation**
World Bank Group

IFC and Climate Change: Opportunities in Financial Markets

Climate change poses a particularly high risk for people in developing countries, many of whom depend on agriculture, forestry, and fisheries for their livelihoods and have a limited or unreliable water supply. IFC has a unique role to play in helping our clients address risks and identify opportunities. We are the largest global development institution focusing on the private sector, and a part of the World Bank Group. Our \$18.3 billion net worth, our global focus and local presence, our world-class industry expertise, and our leadership in environmental best practice give us powerful advantages in assisting our clients. Through our financing and advisory services, we support private sector investment that applies creative solutions to complex problems.

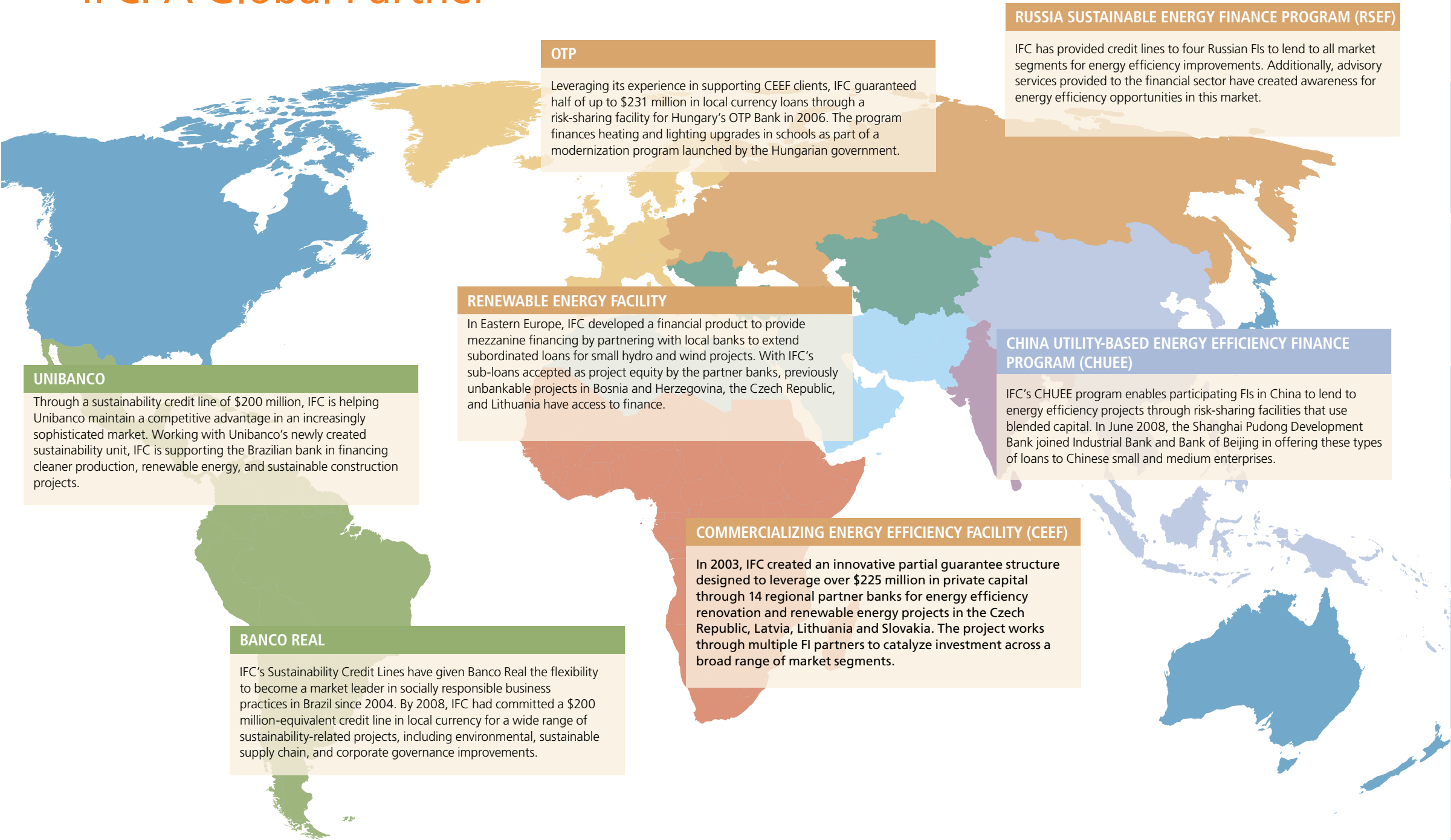
Emerging markets represent more than half the opportunities available for greenhouse gas emissions reduction globally. Small emitters in these markets play a critical role in achieving these reductions, and their needs are best addressed through financial intermediaries (FIs). By providing our partner FIs with

targeted investments and advisory services, particularly at the early stages of market development, IFC helps them to successfully develop new products that benefit the environment while adding to their bottom line. Through its client base of over 400 FIs, IFC has created innovative new structures in renewable energy finance and developed customized credit lines that help SMEs make energy efficiency upgrades, invest in cleaner production technology, incorporate sustainability standards into supply chains, and strengthen corporate governance standards.

Advisory services add value to IFC's investment offering with specialized training to build internal capacity, seed investment pipelines, and support new product development. In 2008, IFC committed over \$500 million to sustainability and climate change mitigation finance projects, solidifying our position as a global leader in this sector. Since 2003, IFC has mobilized over \$2 billion in clean energy investments.



IFC: A Global Partner



Sustainability Products

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| Sustainability Credit Line | IFC provides flexible long-term financing products that enable local FIs to provide a mix of sustainable finance options to their clients, including renewable energy, energy efficiency, cleaner production, sustainable supply chain management, and corporate governance. |
| Corporate Governance | IFC provides tailored investment and advisory services to enable FIs to on-lend to strengthen the corporate governance of their clients through well-defined shareholder rights, strong internal controls, high levels of transparency and disclosure, and an empowered board of directors. |
| Sustainable Construction | IFC offers financial products to FIs that enable them to finance projects incorporating sustainability standards in the construction of new buildings or renovation of existing structures. |
| Cleaner Production | IFC has developed financial products to support technical upgrades that make the best use of materials and energy in industrial processes to maximize product output and minimize waste and emissions. |
| Energy Efficiency | Energy Efficiency opportunities offer some of the most attractive financial returns for FIs. IFC is a leader in this sector offering client FIs a variety of financial structures and blended finance products. |
| Renewable Energy | IFC offers flexible finance options to FIs to finance small-scale energy projects that generate electricity from renewable energy sources such as wind, water, sun, geothermal, or biomass. |
| Sustainable Supply Chain | <p>IFC is currently working with FIs to provide access to finance to growers and suppliers of sustainable coffee, cocoa, and cotton in Latin America, Africa, and Asia.</p> <p>Growers and suppliers commit to incorporating environmental, social, and governance practices into production of these commodities. IFC has also secured partnerships with international buyers such as Starbucks and Hersheys to secure the acquisition of these commodities at prices that recognize quality and support sustainability.</p> |