



European Bank
for Reconstruction and Development

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Sustainable Infrastructure financing needs are huge – more private sector investment is needed.

Context : The EBRD's engagement in the context of its countries of operations:

- high share of heavy industry
- ageing infrastructure
- high energy intensity
- a lack of market-based pricing for energy
- 50% of emissions originate in infrastructure.

Infrastructure needs in the EBRD region are estimated at around US\$350-400 billion per year.

2/3 of investment is currently public.

But this gap cannot be filled by the public sector alone. We need to drive private sector investment.

Relevance of the building sector

- The Building sector is the largest energy consumer in the EBRD region (around 40% of the final energy consumption)
- The Building sector has been one of the key priority areas for EBRD's climate actions since 2012

Integrate sustainability into investment decisions – No trade off between ‘green’ and ‘growth’

EBRD Response: Green Economy Transition (GET) Initiative

Invested over €19bn in over 1,000 projects 2006-15, 30% of 2015 business.

As part of GET, the EBRD invests heavily in:

- Climate Change Mitigation
- Climate Change Adaptation
- Resource Efficiency
- Environmental Improvements
- Innovation in ‘green’ sectors

REDUCED

77 million

tonnes of CO₂/year

In 2006–2015

More than the annual energy use related CO₂ emissions of Romania or twice those of Sweden

SAVED

33 million

m³ of water /year

In 2013–2015 from 70 water efficiency projects

Equivalent to a third of the annual water consumption of the population of Prague

REDUCED

1 million

tonnes of waste /year

In 2013–2015 from 40 waste efficiency projects

Various streams of waste: metals, minerals, agricultural waste

1. Make sustainable change necessary, feasible, profitable. 2. Ensure public finance additionality

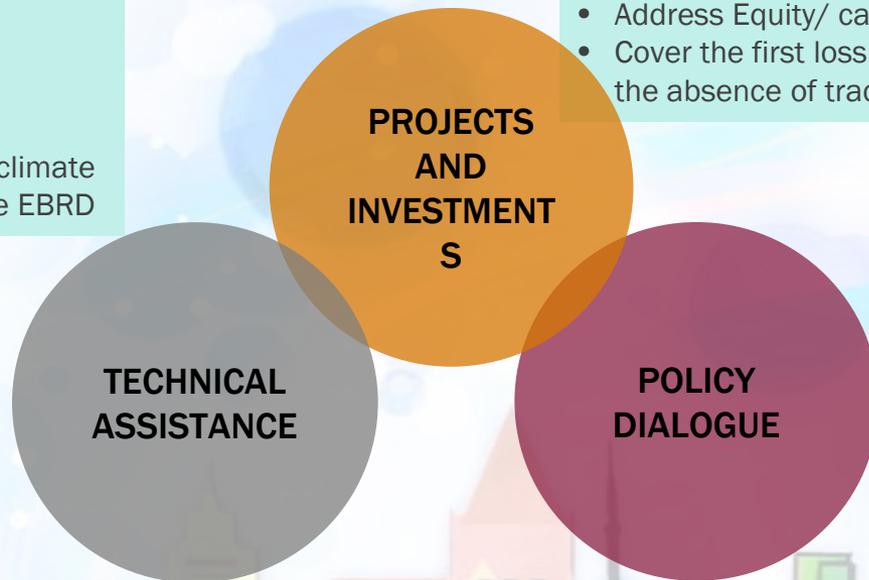
Technical assistance to overcome barriers on:

- market analysis,
- energy audits,
- training
- awareness raising

As a result, complexity of climate finance is absorbed by the EBRD

Concessional finance and grants address barriers regarding pricing and credit risk:

- Reward energy, resource and CO₂ savings in the absence of right pricing of CO₂, water and waste
- Make technologies with high (upfront) costs affordable
- Address Equity/ capital gaps
- Cover the first loss to address first-mover risk in the absence of track record in the sector



Working with governments to support development of a strong institutional and regulatory framework that incentivises sustainable energy

40%

2020 target for the share of green finance in EBRD annual business, from a current level of 30%

€4 billion

Target annual EBRD green business by 2020

€18 billion

Target cumulative EBRD green business 2016-2020