

● LIST OF BILATERAL PROJECTS

#	Project title	Sector	Total €	LAIF €
1	Extension of the hydro-power plant "5 de Noviembre"	Sustainable energy	132,600,000	6,200,000
2	Rural Road Program in El Salvador	Transport	40,886,958	3,574,000
Total			173,486,958	9,774,000

● LIST OF MULTI-LATERAL PROJECTS

#	Project title	Specific activities	Sector	Total €	LAIF €
1	DINAMICA II Initiative – Seed Capital Risk Financing in Central America and Dominican Republic	In process of being identified.	Support to SMEs	75,290,000	12,350,000
2	Green Micro, Small, and Medium Enterprises Initiative in Central America (MIPYMES VERDES II)	In process of being identified.	Support to SMEs	62,480,000	14,380,000
3	Eco Business fund for SME Development in Latin America and the Caribbean	Development of policies, procedures, processes and tools for the implementation of a new Environmental and Social Management System (ESMS) in Banco Hipotecario. Training Sponsorship Program for bank's staff on ESMS. Organization of the panel: "Financing sustainability in the coffee sector in Latin America at World Coffee Science Summit in El Salvador.	Support to SMEs	295,550,000	16,410,000
4	Energy efficiency and renewable energy for SMEs in Central America (MIPYMES VERDES I)	Technical Assistance for FI: Introduction of new loan products to enable clients to finance EE equipment and RE technologies. Beneficiaries FIs: ZACATECOLUCA, BANDESAL, BFA.	Support to SMEs	36,330,000	3,000,000

#	Project title	Specific activities	Sector	Total €	LAIF €
		5 Energy audits for Hotel Posada, El Angel Bakery, Los Gemelos, Café Pan de Vida, Hotel Entre Pinos + 5 energy projects.			
		Information materials and promotional events.			
5	Entrepreneurial Development and promotion of micro, small and medium sized enterprises (MSMEs) in Central America (DINAMICA I)	Technical assistance to financial institutions.	Support to SMEs	54,352,000	3,952,000
6	Promoting Climate Change Adaptation and Integrated Water Resources Management Investment in the water sector in LA in the framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS)	Component Integrated Water Resources Management (IWRM)> Condominium Water and Sanitation Projects Component Adaptation to Climate Change (ACC)> Support to the Strategic Planning of the Stormwater Drainage Sector in the SSMC, El Salvador	Water supply & sanitation	615,300,000	15,300,000
Total				1,139,302,000	65,392,000

PROJECT:

Extension of the hydro-power plant "5 de Noviembre"

LEAD INSTITUTION:

KfW

PARTNERS:

CABEI

EU-LAIF

TOTAL COST:

€ 132 600 000

LAIF CONTRIBUTION:

€ 6 200 000

TYPES OF SUPPORT:

Investment grants

DURATION PERIOD:

Sep 2011 – Jan 2019

CURRENT STATUS:

Completed

DESCRIPTION:

The objective of the project was to meet the growing demand for electricity among the population (estimated at approximately 5% per year) through increased generation of renewable energy. In particular, the project focused on the construction of a second powerhouse, installation of turbines using the existing dam and reservoir, a new access channel to the reservoir, a new water intake and two forced pipelines. The new installation made it possible to use the excess water that currently overflows from the spillway in the rainy months to generate energy.

ACHIEVED RESULTS:

The expansion resulted in an increase in the production capacity of the hydroelectric plant from 99.4 MW to 179.4 MW, thus generating an estimated additional potential of up to 130 GWh per year.

PROJECT:

Rural Road Program in El Salvador

LEAD INSTITUTION:

KfW

PARTNERS:

CABEI

EU-LAIF

TOTAL COST:

€ 40 886 958

LAIF CONTRIBUTION:

€ 3 574 000

TYPES OF SUPPORT:

Investment grants

DURATION PERIOD:

Dec 2011 – Jun 2017

CURRENT STATUS:

Completed

DESCRIPTION:

The overall objective of the project was to improve rural road infrastructure in El Salvador, to enable continuous traffic, giving priority to those areas that have potential for productive development in order to reverse the conditions that affect rural poverty and low economic activity in those areas. The project aimed to strengthen the institutional capabilities of rural road management.

Road transport is critical for social and territorial cohesion and a way to facilitate economic convergence and market unity. This is particularly important in El Salvador, with a 37.5% of its total population living in rural areas.

The effects on a weak road network are the reduction of access to basic public services, decrease of labour mobility and trade of goods and services, and ultimately increases the costs of production, reduces job opportunities and increases inequality

ACHIEVED RESULTS:

- Identification and assessment of vulnerable impact areas;
- Development of internal competence to deal with climate change and establishing inter-agency partnerships;
- Execution of works/mitigation measures that minimize the risks of local populations in vulnerable areas, as a result of increased natural disasters due to climate change;
- Better drainage systems, better rolling surfaces at critical points.



PROJECT:

Green Micro, Small, and Medium Enterprises Initiative in Central America (MIPYMES VERDES II)

COUNTRIES:

Costa Rica, El Salvador,
Guatemala, Honduras,
Nicaragua, Panamá.

LEAD INSTITUTION:

KfW

PARTNERS:

BCIE

EU-LAIF

TOTAL COST:

€ 75 290 000

LAIF CONTRIBUTION:

€ 12 350 000

TYPES OF SUPPORT:

Investment grants
Technical assistance

DURATION PERIOD:

Dec 2018 – Dec 2025

CURRENT STATUS:

Ongoing

SPECIFIC ACTIVITIES IN THE COUNTRY:

- In process of being identified.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The envisaged Seed Capital Risk Financing component addresses the bottlenecks identified in the Central American region, specifically regarding the accessibility of new and innovative enterprises to finance solutions in order to start their operations, be consolidated and grow.

By doing this, the new component contributes to developing entrepreneurship and innovation and is therefore an ideal complement to the DINAMICA initiative.

EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

DINAMICA II, the Seed Capital Risk Financing component of the DINAMICA initiative, is expected to benefit at least 800 MSMEs, of which 480 are new enterprises, 100 of them led by women.



PROJECT:

Green Micro, Small, and Medium Enterprises Initiative in Central America (MIPYMES VERDES II)

COUNTRIES:

Costa Rica, El Salvador,
Guatemala, Honduras,
Nicaragua y Panama

LEAD INSTITUTION:

KfW

PARTNERS:

CABEI
EU-LAIF

TOTAL COST:

€ 62 480 000

LAIF CONTRIBUTION:

€ 14 380 000

TYPES OF SUPPORT:

Investment grants
Technical assistance

DURATION PERIOD:

Dec 2018 – Feb 2034

CURRENT STATUS:

Ongoing

SPECIFIC ACTIVITIES IN THE COUNTRY:

- In process of being identified.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The Green MSMEs initiative aims at reducing carbon emissions in the Central American Region by:

- Promoting the financing of environmental investments to support renewable power generation and energy efficiency measures in Micro, Small and Medium Enterprises, including the development of the necessary infrastructure for the conversion, transportation and storage of energy.
- Providing non-reimbursable environmental investments such as technical assistance to financial institutions and financing of energy studies that are in line with the needs of micro, small and medium enterprises (MSMEs) in Central America and Panama.

EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

- 57 000M CO2 tons eq / year emissions reduction.
- 26 MW of additional capacity from renewable energy sources.
- 44M Euro of new financing available to financial intermediaries
- 100 energy project studies and energy audits supported.
- MSMEs will have the opportunity to reduce their production costs and thus become more competitive, while helping to mitigate climate change and improving public perception by presenting themselves as socially and environmentally responsible companies.



PROJECT: Eco Business fund for SME Development in Latin America and the Caribbean



COUNTRIES:

Colombia, Costa Rica,
Ecuador, El Salvador,
Guatemala, Honduras,
Nicaragua, Panama, Peru

LEAD INSTITUTION:

KfW

PARTNERS:

EU-LAIF

TOTAL COST:

€ 295 550 000

LAIF CONTRIBUTION:

€ 16 410 000

TYPES OF SUPPORT:

Financial Instruments
Technical Assistance

DURATION PERIOD:

Dec 2016 – Dec 2020

CURRENT STATUS:

Ongoing

SPECIFIC ACTIVITIES IN THE COUNTRY:

- Development of policies, procedures, processes and tools for the implementation of a new Environmental and Social Management System (ESMS) in the Banco Hipotecario.
- Revision of the Bank's (Lafise Bancentro) existing ESMS status and tools.
- Training Sponsorship Program on ESMS for bank's staff.
- Organization of the panel: "Financing sustainability in the coffee sector in Latin America at World Coffee Science Summit in El Salvador.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The eco.business Fund is a joint initiative of investors intent on supporting the promotion of business and consumption practices that contribute to biodiversity conservation, the sustainable use of natural resources, climate change mitigation and adaptation to its impacts. In providing financing to the fund's target group for investing in activities that conserve nature and foster biodiversity, the eco.business Fund seeks investments that yield both financial and environmental returns. The financing can be provided directly or through local financial institutions. In addition, final beneficiaries and local lending institutions can count on high impact technical assistance provided by the eco.business Development Facility.

EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

- Protection of ecologically valuable 1.2 M hectares.
- 540 companies financed.
- 318 Million Euro disbursed.
- 2.36 Million tCO₂ e/yr relative (net) greenhouse gas emissions impact.
- Create or improve 288,000 jobs by 2019 and about 1 million by 2035, contributing to poverty reduction.



PROJECT:

Energy efficiency and renewable energy for SMEs in Central America (MIPYMES VERDES I)

COUNTRIES:

Costa Rica, El Salvador,
Guatemala, Honduras,
Nicaragua

LEAD INSTITUTION:

KfW

PARTNERS:

CABEI

EU-LAIF

TOTAL COST:

€ 36 330 000

LAIF CONTRIBUTION:

€ 3 000 000

TYPES OF SUPPORT:

Technical assistance

DURATION PERIOD:

May 2010 – Dec 2018

CURRENT STATUS:

Completed

SPECIFIC ACTIVITIES IN THE COUNTRY:

- Technical Assistance to beneficiary financial institutions (ZACATECOLUCA, BANDESAL, BFA): Introduction of new loan products to enable clients to finance energy efficient equipment and renewable energy technologies.
- Five Energy audits for Hotel Posada, El Angel Bakery, Los Gemelos, Café Pan de Vida, Hotel Entre Pinos, plus five energy projects.
- Information material and promotional events to raise awareness at financial institutions and SME-level about the need to invest in environmental measures related to energy savings and alternative energy resources.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The overall objective of the Energy Efficiency and Renewable Energy Program for SMEs in Central America was to contribute to the protection of the climate and the environment. The Program aimed at providing efficient and sustainable access to financing products for environmental investments which correspond to the needs of SMEs in Central America. The Program had two main components:

- 1) Financing of environmental investments – Provision of funds by the Program Executing Agency to local financial institutions that channel resources to SMEs for energy efficiency (EE) and renewable energy projects.
- 2) Technical Assistance, studies and promotional activities – Including technical assistance for financial institutions, energy audits of SMEs and feasibility studies of small renewable energy projects; information material and promotional events.

ACHIEVED RESULTS OF THE MULTICOUNTRY PROJECT:

- Technical Assistance to Financial Institutions: The technical assistance helped the financial institutions to introduce a new loan product into its internal procedures to enable clients to finance energy efficiency equipment and renewable energy technologies.
- Financing Energy Analysis (energy audits & feasibility studies): The financing of energy audits helped to determine the potential energy savings and the necessary investments required to realize said potential.
- Promotion of the initiative: The information material and the events provided additional information promoting awareness among FIs and SMEs about the necessity and the benefits of investing in environmental measures.



PROJECT: Entrepreneurial Development and promotion of micro, small and medium sized enterprises in Central America (DINAMICA I)



COUNTRIES:

Costa Rica, El Salvador,
Guatemala, Honduras,
Nicaragua

LEAD INSTITUTION:

KfW

PARTNERS:

CABEI

EU-LAIF

TOTAL COST:

€ 54 352 000

LAIF CONTRIBUTION:

€ 3 952 000

TYPES OF SUPPORT:

Technical assistance

DURATION PERIOD:

Sep 2015 – Sep 2019

CURRENT STATUS:

Completed

SPECIFIC ACTIVITIES IN THE COUNTRY:

- Technical assistance to financial institutions.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

DINAMICA I focused on promoting entrepreneurial and private sector development for employment and income generation in order to contribute to economic development and poverty reduction in Central America. More specifically, the project aimed at:

- Promoting the entrepreneurial environment in order to facilitate the creation of new and innovative enterprises;
- Supporting financial sector development in order to provide adequate access to finance for MSMEs.

ACHIEVED RESULTS OF THE MULTICOUNTRY PROJECT:

- DINAMICA has supported more than 10 Entrepreneurial Development Centers, over 93 new and innovative enterprises, and 9 financial institutions.



PROJECT: Promoting Climate Change Adaptation and Integrated Water Resources Management Investment in the water sector in LA in the framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS)



COUNTRIES:

Argentina, Bolivia, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, Nicaragua, Paraguay, Peru

LEAD INSTITUTION:

AECID

PARTNERS:

IDB

EU-LAIF

TOTAL COST:

€ 615 300 000

LAIF CONTRIBUTION:

€ 15 300 000

TYPES OF SUPPORT:

Investment grants
Technical assistance

DURATION PERIOD:

Dec 2013 – Dec 2019

CURRENT STATUS:

Ongoing

SPECIFIC ACTIVITIES IN THE COUNTRY:

- Component Integrated Water Resources Management (IWRM): Condominium Water and Sanitation Projects.
- Component Adaptation to Climate Change (ACC): Support to the Strategic Planning of the Stormwater Drainage Sector in the SSMC, El Salvador.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The LAIF contribution aims to improve water and sewerage infrastructures and contribute to reduce the risks of diseases caused by water management in the Latin American region through the development of various projects. These are grouped into two components: Component I, projects for Adaptation to Climate Change (ACC) and Component II, projects for the Integrated Management of Water Resources (GIRH).

The projects consist of the reinforcement of capacities associated with the programs, studies developed in the pre-investment phase to identify new investments in new actions, review of regulations and the development of methodologies, tools and manuals, which in turn will have an impact on future investments.

EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

Support the inclusion of Adaptation to Climate Change measures (especially in relation to extreme events such as droughts and floods), both in policies and investments related to the water and sanitation sector; and to influence the development of policies and investments of the sector through the promotion of solutions adapted to the needs and capacities of the population.



PROJECT:

Geothermal Development Facility Latin America Program

COUNTRIES:

Bolivia, Chile, Colombia,
Costa Rica, Ecuador,
El Salvador, Guatemala,
Honduras, Nicaragua, Peru

LEAD INSTITUTION:

KfW

PARTNERS:

AFD

BCIE

CAF

EIB

EU-LAIF

IDB

JICA

WBG

TOTAL COST:

€ 1 094 000 000

LAIF CONTRIBUTION:

€ 20 500 000

TYPES OF SUPPORT:

Investment grants
Technical assistance

DURATION PERIOD:

Dec 2014 – Dec 2026

CURRENT STATUS:

Ongoing

SPECIFIC ACTIVITIES IN THE COUNTRY:

- In process of being identified.

DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The Geothermal Development Facility for Latin America aims at overcoming existing barriers to the development of geothermal energy by providing:

1. a tailored Geothermal Risk Mitigation Fund in order to diminish geothermal resource risk during the exploratory drilling stage of the project;
2. geothermal investment financing windows to deliver anchor financing for subsequent investments during the production drilling and construction stages; and
3. a Technical Assistance Forum to offer a suitable venue for policy dialogue between donors and partner governments.

EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

- 350 MW additional capacity from geothermal energy by 2024.
- 1.88 Million tCO₂ e/yr fewer relative (net) greenhouse gas emissions.
- 2.25M beneficiaries.