



# INTERNATIONAL BIOTRADE CONGRESS COP-13, CBD

*December 3rd, 2016 Cancún, México*

**Environmental & Climate Change Department, CAF**  
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# About CAF

- Latin American **multilateral financial institution**, essentially owned by developing countries
- Provides multiple types of **financial and non-financial services** to clients in the public and private sectors of its member countries
- Promotes the **conservation** of the natural and social capital, facilitating the migration towards a low-carbon and resilient to climate change economy, with social **inclusion** and equal opportunities

## *Mission:*

- ✓ Sustainable development
- ✓ Regional integration

## CAF

-19 Countries

-14 Private Banks



# CAF's Response: Biodiversity and the SDG's

## DACC - Environmental and Climate Change Division

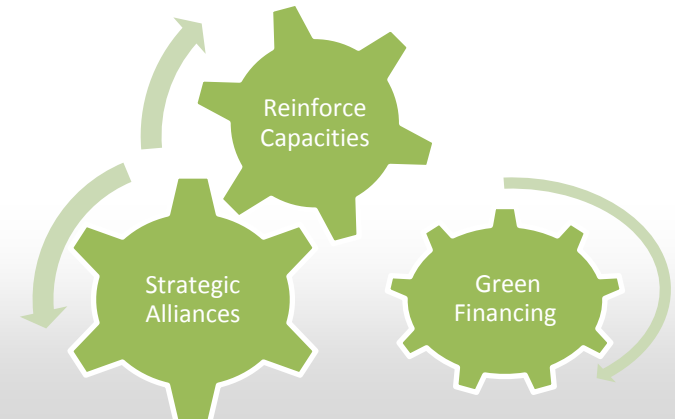
Committed to promote the conservation of the natural and social capital, facilitating the migration towards a low-carbon and resilient to climate change economy, with social inclusion and equal opportunities.

Green Business  
Unit

Institutional  
Environmental  
Management Unit

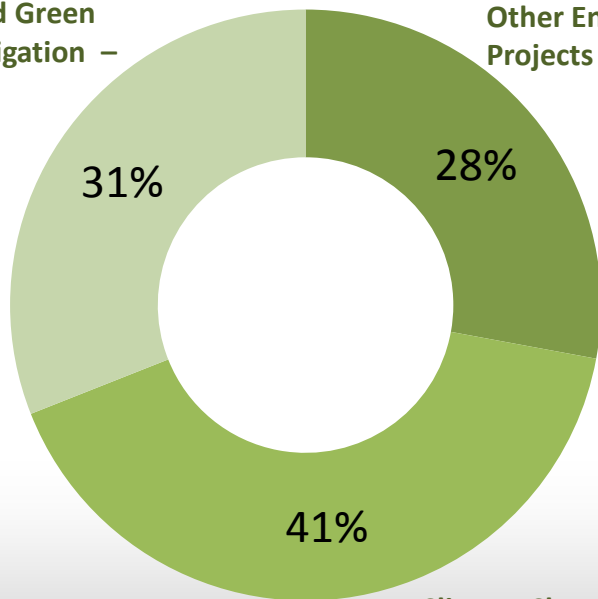
Climate Change  
Unit

- ✓ 3 operative units
- ✓ 8 programs
- ✓ 14 benefited countries
- ✓ 22 executives
- ✓ US\$ 3 millions for Technical Cooperation in 2015
- ✓ Over US\$ 2 Billion available for Green Financing



# CAF Green Financing in 2013 – US\$ 2.7 B.

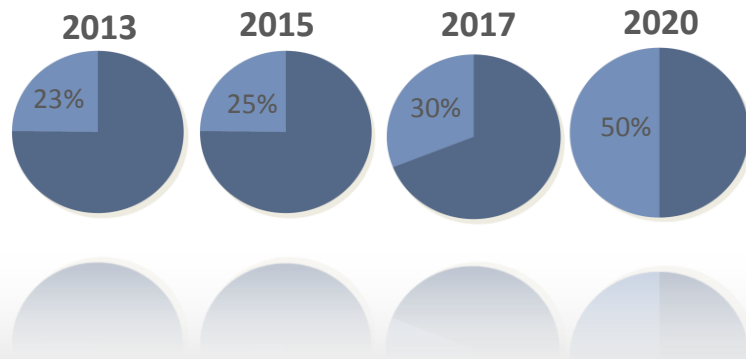
Green Energy and Green House Gases Mitigation – US\$ 859 M



Other Environmental Projects - US\$ 773 M

Climate Change Adaptation - US\$ 1.1 B

## Green Financing Targets



# CAF – Green Financing Partnerships



GEF

- Biodiversity
- Climate Change
- International Waters
- Land Degradation
- Chemicals and Waste
- Sustainable Management of Forest - REDD+



GCF

- GFCG emissions reduction
- Increase climate change resilience in health, food and water security

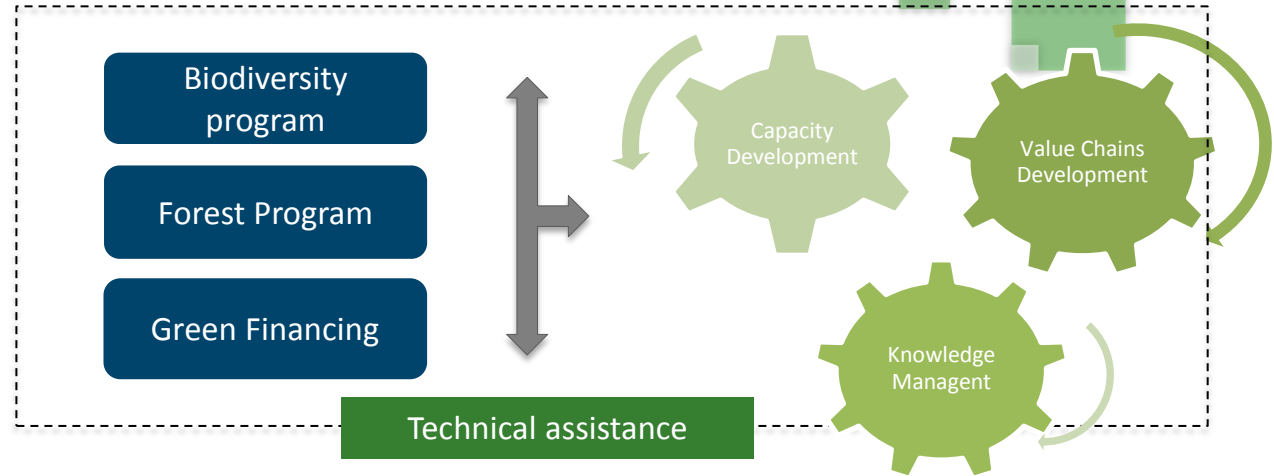


AF

- Food security
- Risk Management
- Rural Development
- Agriculture
- Coastal Protection
- Water Management

# The Green Business Unit

Seeks to **promote new sustainable businesses** that drive a **productive transformation** in the region with an inclusive approach, through three key programs



# Why focus on Green Businesses (GB)?

The *bio* market value is estimated in **USD 2.39 trillion<sup>1</sup>**, from which **7%** corresponds to Latin America



USD 289 BB: Food

USD 728 BB: Pharmaceuticals

USD 882 BB: Cosmetics

USD 491 BB: Ecotourism

The value of Green forest products (timber and non-timber) account for **USD 225 BB<sup>2</sup>** each year. **9%** corresponds to Latin America

Only **3.5%** of financing for green businesses is provided by local financial institutions. Most small and medium-sized green businesses are subject to uncompetitive financing conditions.

# Why focus on Energy Efficiency (EE)?

By 2012 the global market of energy efficiency was higher than the market of renewable energy due to...

Continuous technological developments, policies and regulations, market forces and trends, increased competitiveness and energy costs and the need to respond to climate change → *However, this is not the situation in Latin America<sup>1</sup>*

In the upcoming two decades, **US\$ 210 billion** are expected to be invested per year in the energy efficiency sector, from which **US\$ 8.4 billion** would be invested in Latin America.



60% → Transport Sector

30% → Housing

10% → Industry



The Mortgage Green Program in Mexico is the most emblematic program of the region. **USD 1 billion** was disbursed to encourage the installation of energy saving accessories for water, lights and gas<sup>2</sup>.



# Green Credit Lines program for FIs

Vice-presidency of  
Financial and productive  
sector

Vice-presidency of  
Finance

Vice-presidency of  
Energy

Direction of  
Environment and  
climate change

Environmental and Social Management program for Financial Institutions

**Objective:** To provide technical training and financing to Latin American Financial Institutions (FIs) in order to improve their offer of products and services to Latin American companies looking to invest in Energy Efficiency (EE) and Green Business (GB).

# Multisectoral approach...

## Green Business (GB)

- Sustainable forest industry
- Ecotourism
- Sustainable agricultural industry: Fruits, Vegetables, Andean Cereals, Coffee and Cocoa



✓ Sustainable environmental and social practices from a value chain approach



## Energy Efficiency (EE)

- Industry
- Services
- Commerce
- Housing
- Transport



✓ Replacement of fuels, high efficiency motors, cogeneration, automation, air conditioning, cooling, lighting systems, network remodelling, conversion of natural gas fleets, fleet change for more efficient vehicles

# Starting point: Certified products



# Program components

## 1. Financing

- Through credit lines for green businesses and energy efficiency programs

## 2. Technical assistance

- Development of capacities of financial institutions for the evaluation of environmental and social aspects of their credit operations

## 3. Strengthening of green business and energy efficiency markets

- Support the design and execution of public and market policies
- Generation of strategic alliances



# Support tools for FIs

1. Up to **USD 1200 million credit lines** to local FIs that will act as financial intermediaries to smaller companies

3. Elaboration of **guides for FIs analysts** detailing the key technical aspects to consider when analysing the sustainability and the financial component of the GB and EE

5. **Technical assistance program** for credit analysts of financial institutions

2. Elaboration of **guides that will establish the conditions of eligibility and technical evaluation** of projects

4. Elaboration of **guides and business plans for the clients of the FIs** (Green Business companies and energy efficiency) in order to develop their capacities to apply for credit lines

6. **Regional Business Observatory** for GB and EE that will promote access and exchange of information and resources, as well as the systematization of results and knowledge management

A large, intricate mosaic composed of thousands of tiny, individual photographs. The overall shape of the mosaic is a map of Latin America, including Central America, the Caribbean, and South America. The individual photos within the mosaic depict various scenes: people, landscapes, buildings, and everyday life, creating a rich, textured visual representation of the region's diversity.

Everything we do begins with you.



**More opportunities, a better future.**

Further questions , please address to: [rgomezgarcia@caf.com](mailto:rgomezgarcia@caf.com)  
**Green Business Unit, DACC, CAF**

