

GREEN FOR GROWTH FUND STRENGTHENS TIES WITH UNICREDIT BANK SERBIA THROUGH EUR 50 MILLION LOAN FOR RENEWABLE ENERGY PROJECTS

- The loan deepens the strategic engagement with UniCredit Bank Serbia, an experienced green finance lender and a market leader in supporting renewable energy (RE) projects.
- The EUR 50 million facility will be used exclusively to finance utility-scale RE projects with a focus on solar and wind.

Luxembourg and Belgrade, February 2024 – The Green for Growth Fund (GGF), an impact investment fund advised by Finance in Motion, has announced a strategic €50 million loan to UniCredit Bank Serbia (UCB). This collaboration marks a deepened engagement between the two entities, aimed at supporting utility-scale renewable energy projects across Serbia.

UniCredit Bank Serbia, recognized as a leader in green finance and renewable energy projects, will utilize the loan entirely for the development of renewable energy ventures. This initiative is in alignment with the Serbian Government's renewable energy auction plan and its ambitious targets under the National Energy and Climate Plan (NECP). By focusing on solar and wind energy projects, this partnership underscores a shared commitment to accelerate the green transition in a country traditionally reliant on coal.

The GGF's investment is poised to deliver substantial environmental benefits. It is expected to result in 400,000 MWh per annum of primary energy savings and a reduction of 132,000 tons of CO2 emissions yearly. This contributes significantly to the EU Taxonomy for sustainable activities, under climate change mitigation. A crucial aspect of this loan is its technical assistance component; it provides support to renewable energy developers in Serbia, aiding them with technical due diligences and construction monitoring. Also, by leveraging UniCredit Bank Serbia's expertise and market position, the GGF aims to drive significant advancements in the region's renewable energy sector. This strategic financial support underscores the GGF's dedication to fostering sustainable energy development in Serbia.

Christopher Knowles, Chairperson of the GGF, said, *“Through this substantial investment in UniCredit Bank Serbia, we are not only reinforcing our commitment to Serbia's renewable energy landscape but also to the broader vision of a sustainable and energy-independent future. The GGF is proud to partner with a bank that has a proven track record in green finance. We believe this collaboration will catalyze significant advancements in renewable energy deployment, contributing to a greener, more resilient energy sector in Serbia and beyond.”*

Borislav Kostadinov, Fund Director for the Green for Growth Fund's mandate at Finance in Motion, GGF's advisor added *“Partnering with UCB, an established market leader in renewable energy financing, underlines the Fund's vital role in realizing Serbia's vision for clean energy. This alliance paves the way for a series of successful energy auctions, laying a strong foundation for regional energy independence and resilience.”*

Nikola Vuletić, Chairperson of the Management Board UniCredit Bank Serbia, stated: *“It is a great honor that GGF once again recognized UniCredit Bank as a reliable partner, so we practically continue to contribute to the development of sustainable energy projects in Serbia. Financing sustainable energy projects is vital to achieving long-term energy sustainability. By enabling investment in these projects, we not only boost economic growth, but also reduce negative environmental impact, creating a cleaner and healthier future for all. So far, through credit lines in cooperation with GGF, we have invested more than 50 million euros in placements on the Serbian market, which is a clear proof of our excellent cooperation.”*

About the GGF

The Green for Growth Fund invests in measures designed to cut energy use and CO2 emissions and improve resource efficiency in 19 markets across Southeast Europe, the Caucasus, Ukraine, Moldova, the Middle East and North Africa. The Fund provides such financing directly to renewable energy projects, corporates and municipalities or indirectly via selected financial institutions. The GGF’s Technical Assistance Facility maximizes the fund’s investment impact through support for capacity building at local financial institutions and partners.

The GGF was initiated as a public-private partnership in December 2009 by Germany’s KfW Development Bank and the European Investment Bank, with financial support from the European Commission, the German Federal Ministry for Economic Cooperation and Development, the European Bank for Reconstruction and Development, and the Austrian Development Bank (OeEB). The fund’s growing investor base comprises donor agencies, international financial institutions, and institutional private investors, including the International Finance Corporation, the Dutch development bank FMO, and the German ethical bank GLS. The GGF is advised by Finance in Motion GmbH. MACS Energy & Water GmbH, Frankfurt am Main acts as the technical advisor.

About UniCredit

UniCredit is a pan-European Commercial Bank with a unique service offering in Italy, Germany, Central and Eastern Europe. Our purpose is to empower communities to progress, delivering the best-in-class for all stakeholders, unlocking the potential of our clients and our people across Europe. We serve over 15 million customers worldwide. They are at the heart of what we do in all our markets. UniCredit is organized in four core regions and two product factories, Corporate and Individual Solutions. This allows us to be close to our clients and use the scale of the entire Group for developing and offering the best products across all our markets. Digitalisation and our commitment to ESG principles are key enablers for our service. They help us deliver excellence to our stakeholders and creating a sustainable future for our clients, our communities and our people.

About Finance in Motion

Finance in Motion is a global impact asset manager focused exclusively on sustainable development in emerging markets and developing economies. The company structures, manages, and advises impact investment funds that bring together public and private investors to address climate change, strengthen biodiversity conservation, foster the sustainable use of natural resources, improve livelihoods, and promote economic opportunities.