



An EU vehicle to generate investment in Latin America and the Caribbean

What is LACIF?

The EU is the leading investor in the region and is represented in all 33 countries and physically present in 26 of them.

The Latin America and Caribbean Investment Facility (LACIF) is one of the EU's **regional blending facilities**.

LACIF is part of the European Commission's **Global Gateway strategy** and aims to mobilise funding from European and regional financial institutions, governments and the private sector to operationalise the Global Gateway Investment agenda, or projects essential to achieving the UN's Sustainable Development Goals.

What are LACIF's objectives?

- ▶ Improving the **quality and sustainability** of infrastructure in Latin America and the Caribbean
- ▶ Increasing **environmental protection** and supporting **climate change** adaptation and mitigation
- ▶ Promoting equitable and **sustainable socio-economic development** through the improvement of infrastructure for social services and support to SMEs

What is blending?

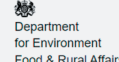
Blending is the strategic use of grant resources to catalyse financing for development projects. Grants are often combined with loans, equity, beneficiary resources, or other forms of financing with the aim of de-risking projects and making them bankable.

Blending enables partners to get the most out of grant resources and enhance their development impact.

Leading financial institutions



Other financial partners



European Union Latin America and Caribbean Investment Facility

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🔗 Highlights from LACIF's achievements



WATER SUPPLY AND SANITATION

Improving the water and sewage infrastructure in Latin America and the Caribbean

Since 2013, LACIF has enabled significant improvements, including:

- ▶ 565 implemented projects that help provide access to water and sanitation for more than 2.1 million citizens, including nearly 900,000 women
- ▶ 1.4 million citizens now enjoy safe drinking water and 1.5 million have improved sanitation facilities

Leading financial institution: Spanish Agency for International Development Cooperation (AECID)
Other FIs: Inter-American Development Bank (IDB)
Total cost: €615 m
EU contribution: €15.3 m



SUPPORT TO SMEs

Greening SMEs in Latin America and the Caribbean through the Eco Business Fund

The fund has bolstered sustainable development since 2016:

- ▶ Green SMEs in 15 countries, received 39,000 loans and created 617,000 jobs
- ▶ SME beneficiaries put 923,000 hectares of land under sustainable management and 23.5 million tonnes of CO2 were circumvented through agroforestry activities
- ▶ 62 projects in 14 countries received technical assistance

Leading financial institution: Kreditanstalt für Wiederaufbau (KfW)
Investors include public and private institutions
Total cost: €650 m
EU contribution: €16 m



SUSTAINABLE ENERGY

Supporting geothermal energy in Dominica

Since 2013, the project has:

- ▶ Confirmed the potential to develop a 10 MW geothermal capacity plant, which will enable the island to produce 70% of clean energy. In the future, surplus energy will be exported to neighbouring islands
- ▶ Trained government agencies on key aspects of renewable energy systems management. The knowledge generated from this training can be shared regionally to improve capacity

Leading financial institution: Agence Française de Développement (AFD)
Other FIs: World Bank, among others
Total cost: €62 m
EU contribution: €2 m



RURAL DEVELOPMENT

Financing climate mitigation and adaptation initiatives in the River Plata Basin

Since 2018, LACIF has tackled social deprivation and promoted resilience:

- ▶ In Bolivia, 1,200 rainwater-harvesting tanks and over 3,500 solar panels for households, schools and health posts are improving the daily lives of communities in remote Andean villages
- ▶ In Brazil, citizens of small towns affected by droughts benefit from new sanitation and water systems, enabling them to live the next 50 years with fewer water shortages

Leading financial institution: European Investment Bank (EIB)
Other FI: FONPLATA
Total cost: €102.4 m
EU contribution: €2.4 m

Sectors financed: €18.5 billion of total project cost planned for a total EU grant of €719.6 million (2010-2023)

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| Sustainable Energy: €6.2 bn | Health: €784.2 m | Reconstruction relief and Rehabilitation: €330.2 m |
| Transport: €2.7 bn | Rural development: €768.3 m | Education: €191.6 m |
| Water supply and sanitation: €2.6 bn | Support to SMEs: €652.4 m | Waste management: €88.1 m |
| General environmental protection: 2.1 bn | Sustainable agriculture: €545.2 m | Banking and financial services: €59.5 m |
| Urban development: €1.5 bn | | |