



# **Global Climate Partnership Fund**

## Quarterly Report

### Q2 2016

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## Fund Activity

During the quarter, the fund disbursed USD 1.2m in a direct investment in Off-Grid Electric, which sells solar-powered appliances to low income households in Tanzania. This transaction was made in collaboration with responsAbility Energy Access Fund. GCPF also disbursed the remaining tranche of USD 12m to SREI Infrastructure Finance Limited, India, to finance a wind farm. This disbursement was facilitated by an environmental and social impact assessment commissioned by Technical Assistance (TA). A further USD 5m has been disbursed to Southeast Bank Limited in Bangladesh. The Investment Committee also approved an investment proposal for a leasing company in Egypt. Banco Pine, Brazil, continued its early repayment (last tranche of USD 5m) as they were not meeting onlending requirements.

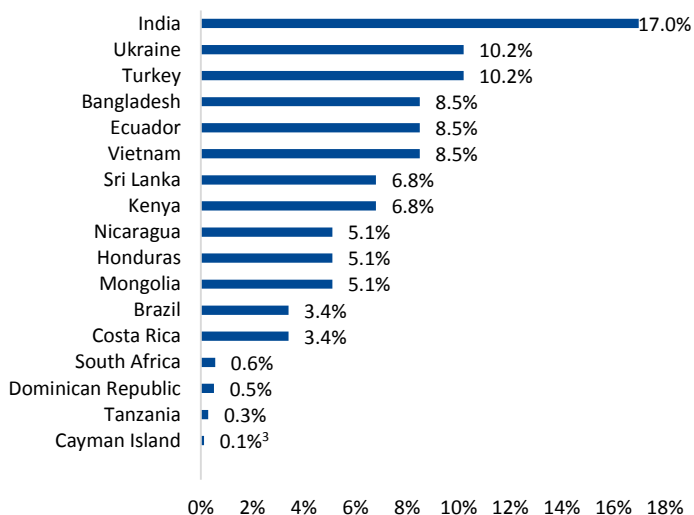
During the reporting period, the Technical Assistance Committee approved the winning bidders from the selection process for establishing a baseline study on vehicles for Pichincha, Ecuador as well as a baseline study on buses for Banco Promerica, Costa Rica. Furthermore, the project to support Chase Bank's green lending capacity building has been terminated – it may be resumed once there is more clarity on the future development of the bank. The TA Manager also focused on the reviews of the carbon calculation methodology and the carbon impact reported by the Fund as well as the preparation of the GCPF Academy (6-9 September 2016). Against the background of limited TA funds, new TA support requests are treated according to the priority of the respective needs. Fundraising efforts are still ongoing.

On the investor side, ASN Bank, the oldest sustainable bank of the Netherlands, signed a commitment to invest in a USD 25m note issued by GCPF. ASN Bank is a fully-owned subsidiary of Dutch retail bank SNS Bank, and is the second private institution to join the ranks of GCPF investors.

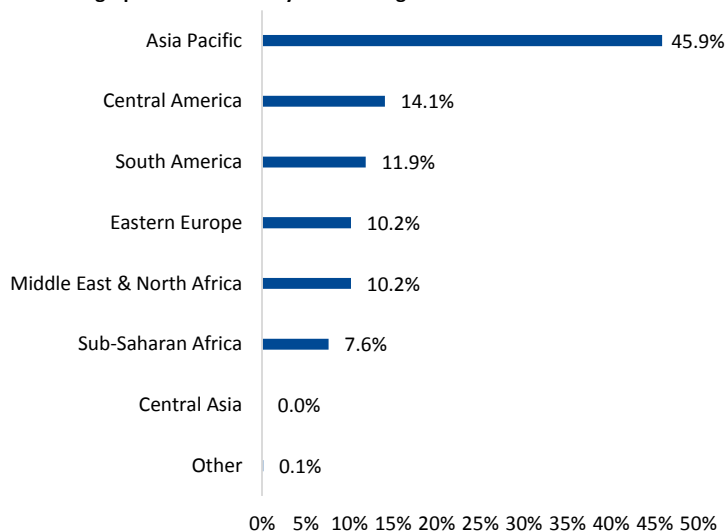
The Board of Directors meeting was held on 28 June in Luxembourg. During the quarter, the Board has expanded to include two new board members: Cornelis van Aerssen and James McEwen. At the Annual Shareholder Meeting the shareholders approved the GCPF Audited Financial Statements for 2015.

# Key Investment Figures as of Q2 2016

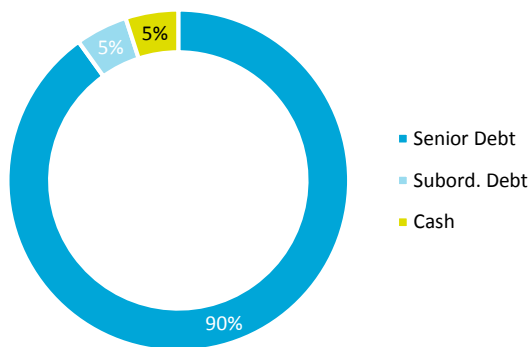
Largest country exposures by outstanding amount<sup>1</sup>



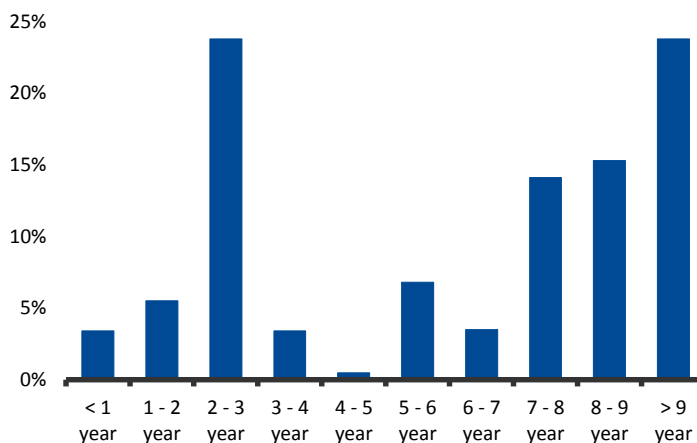
Geographical allocation by outstanding amount<sup>2</sup>



Asset allocation



Maturity of invested volume breakdown outstanding amount as of Q2 2016



Currency	In % NAV
USD	100.0%

Average time to maturity	5.5 years
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<sup>1</sup>Due to rounding, breakdown does not add up to 100%

<sup>2</sup>Turkey is now included in the MENA Region allocation (previously Eastern Europe).

<sup>3</sup>The fund has an exposure to the parent company of OGE Tanzania, which is located in Cayman Islands

Partner Institution	Country	Type of PI	Investment Instrument	Currency	Commitment (USD) <sup>1</sup>	Outstanding amount (USD)	Outstanding amount (%)
Banco Atlantida	Honduras	FI	Senior Debt	USD	15,000,000	15,000,000	5.10%
Banco Pichincha	Ecuador	FI	Subord. Debt	USD	15,000,000	15,000,000	5.10%
Banco Pine	Brazil	FI	Senior Debt	USD	10,000,000	10,000,000	3.40%
Banco ProCredit	Ecuador	FI	Senior Debt	USD	10,000,000	10,000,000	3.40%
Banco Promerica CR	Costa Rica	FI	Senior Debt	USD	20,000,000	10,000,000	3.40%
Banco Promerica DR	Dominican Republic	FI	Senior Debt	USD	9,000,000	1,500,000	0.51%
BanPro	Nicaragua	FI	Senior Debt	USD	25,000,000	15,000,000	5.10%
Chase Bank	Kenya	FI	Senior Debt	USD	30,000,000 <sup>2</sup>	20,000,000	6.79%
Pan Asia Bank	Sri Lanka	FI	Senior Debt	USD	20,000,000	20,000,000	6.79%
Ratnakar Bank	India	FI	Senior Debt	USD	20,000,000	20,000,000	6.79%
Sekerbank	Turkey	FI	Senior Debt	USD	30,000,000	30,000,000	10.19%
SouthEast Bank	Bangladesh	FI	Senior Debt	USD	20,000,000	10,000,000	3.40%
SREI Infrastructure Finance	India	FI	Senior Debt	USD	30,000,000	30,000,000	10.19%
The City Bank	Bangladesh	FI	Senior Debt	USD	30,000,000	15,000,000	5.10%
Turan Bank <sup>3</sup>	Azerbaijan	FI	Senior Debt	USD	10,000,000	-	0.00%
Ukreximbank	Ukraine	FI	Senior Debt	USD	30,000,000	30,000,000	10.19%
Vietinbank	Vietnam	FI	Senior Debt	USD	25,000,000	25,000,000	8.49%
XacBank	Mongolia	FI	Senior Debt	USD	15,000,000	15,000,000	5.10%
<b>Subtotal</b>		<b>18</b>			<b>364,000,000</b>	<b>291,500,000</b>	<b>99.03%</b>
Cronimet	South Africa	Direct	Senior Debt	USD	1'378'857	1,378,857	0.47%
Hidoplex	South Africa	Direct	Subord. Debt	USD	1,000,000	260,000	0.09%
OGE <sup>4</sup>		Direct	Senior Debt	USD	3,000,000	1,217,959	0.00%
OGE Tanzania	Tanzania	Direct	Senior Debt	USD	-	852,571 <sup>6</sup>	0.29%
OGE Cayman	Cayman	Direct	Senior Debt	USD	-	365,388 <sup>6</sup>	0.12%
<b>Subtotal</b>		<b>3</b>			<b>5,378,857</b>	<b>2,856,816</b>	<b>0.97%</b>
<b>Grand Total</b>		<b>21</b>			<b>369,378,857</b>	<b>294,356,816</b>	<b>100.00%</b>

<sup>1</sup> Total Commitments as of present quarter. Commitments to PIs are lowered in line with repayments by the PI. The difference between Commitments and Outstanding Amount are undrawn Commitments to the PI.

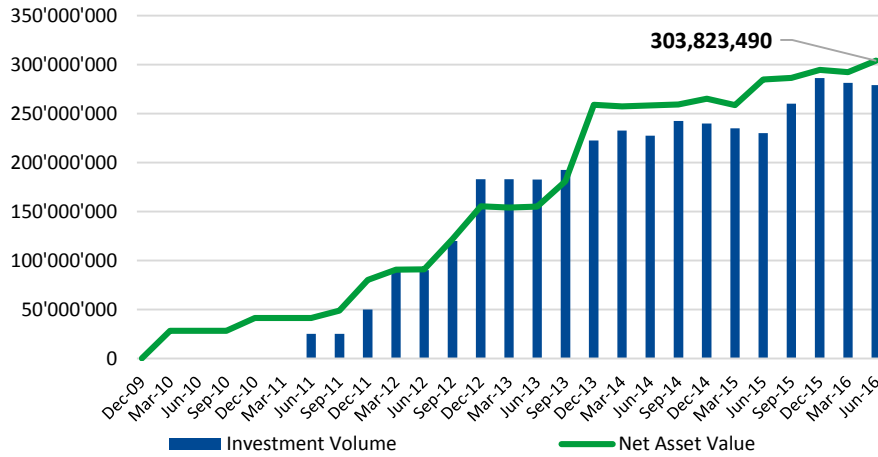
<sup>2</sup> A further USD 15m is included in the facility agreement but is uncommitted.

<sup>3</sup> No disbursements so far under this facility.

<sup>4</sup> Legal exposure to OGE Mauritius but risk is between Tanzania (operating company) and Cayman Islands (parent company).

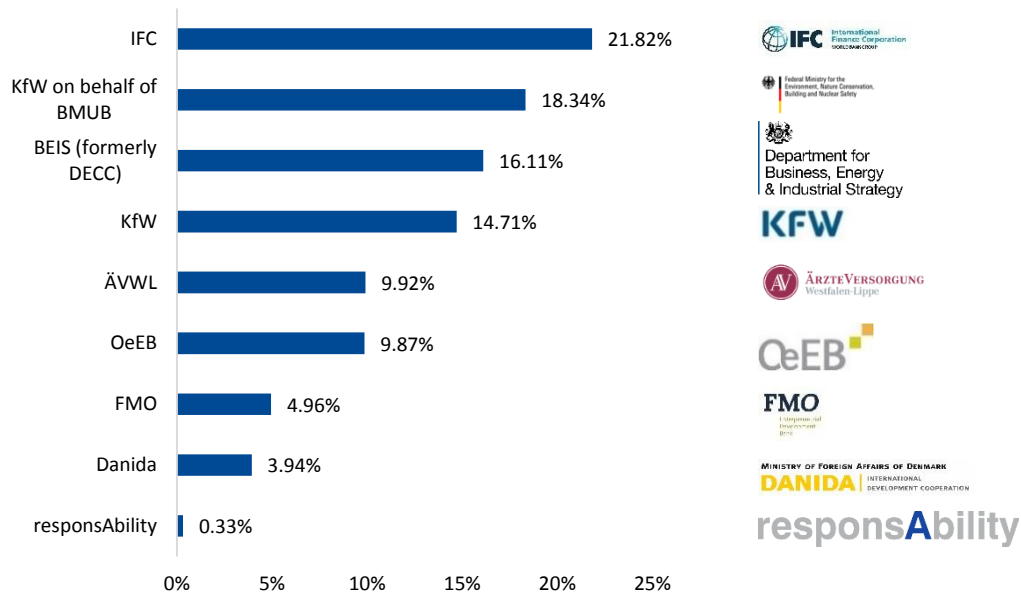
# Funding Structure & Financial Performance

NAV of the Fund development (USD) <sup>1</sup>

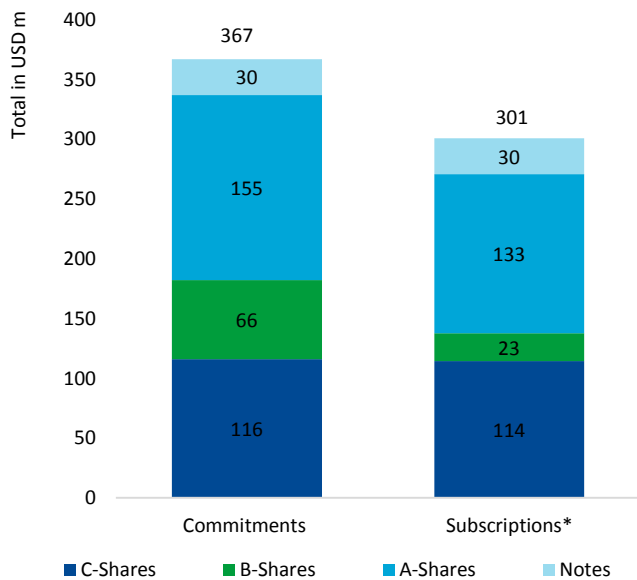


<sup>1</sup> Includes NAV of A-shares, B-shares, C-shares, Notes at notional and accrued dividends.

Subscribed capital by investor (%)



Funding split (USDm)



\*Subscriptions A-Shares and B-Shares; NAV excluding dividends; C-shares: excluding Target Return current year.

# Impact

## CO<sub>2</sub> reductions and energy savings

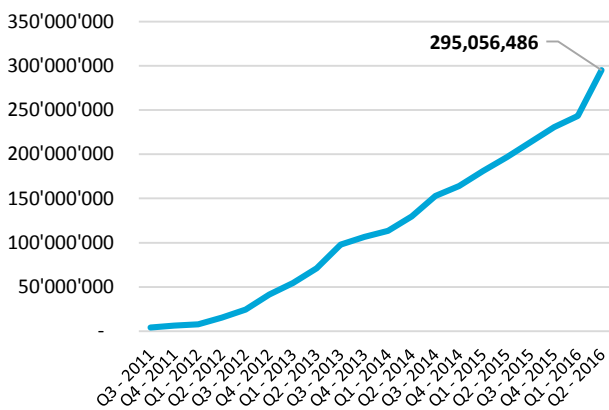
	CO <sub>2</sub> reductions (tCO <sub>2</sub> /year)	CO <sub>2</sub> reductions (%)	Energy savings (MWh/year)	Energy savings (%) <sup>1</sup>	Renewal energy production (MWh/year)
Annual savings of loans disbursed in Q2 – 2016 <sup>2</sup>	124,302	35%	37'953	34%	160,677
Annual savings of loans disbursed since inception <sup>3</sup>	329,574	52%	547'122	48%	292,916

<sup>1</sup> Including RE production projects.

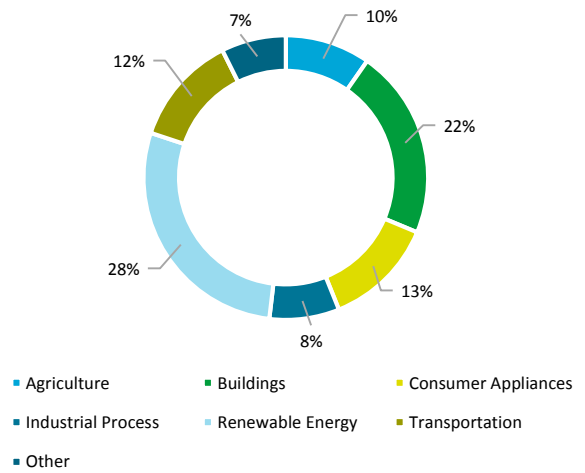
<sup>2</sup> The low saving % for this quarter is due to a large number of appliances reported from Pichincha, in combination with a new methodology applied (from production year of old appliance to country market baseline), reducing the % saving per appliance to 27% from 60%.

<sup>3</sup> Living assets.

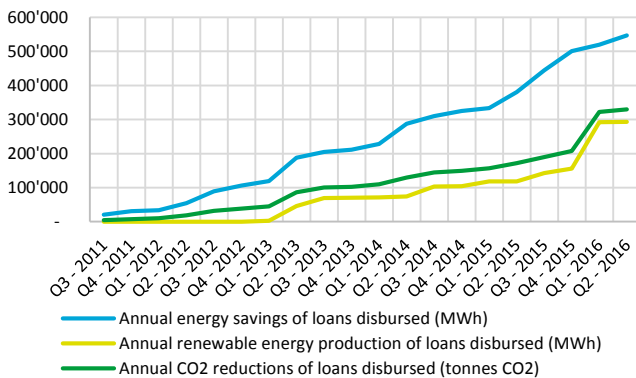
### Disbursed sub-loans, since inception of fund (USD)



### Disbursements by technology since inception

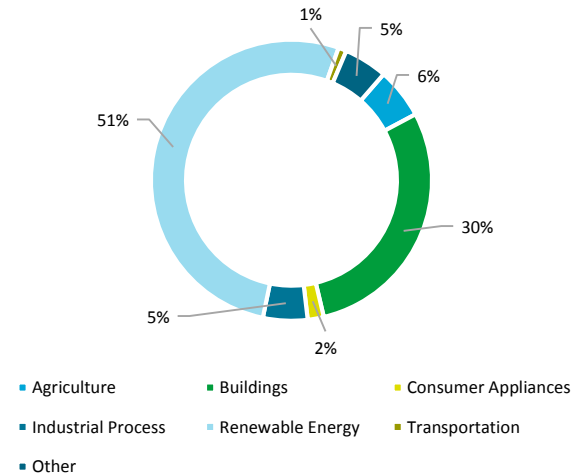


### Annual energy and CO<sub>2</sub> emission savings of living assets in portfolio



Development of annual energy savings and CO<sub>2</sub> reductions achieved by financed assets in the portfolio. Only includes assets that have not reached their projected lifetime (still generating savings).

### Annual CO<sub>2</sub> reductions by technology since inception, living assets



### Key impact figures

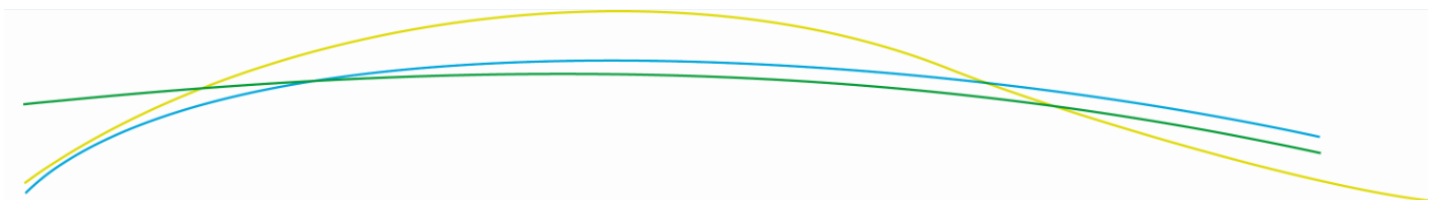
	2011	2012	2013	2014	2015	Q2 2016
Expected lifetime CO <sub>2</sub> reductions (tonnes)	186,439	850,720	2,185,653	3,120,025	4,386,000	7,165,298 <sup>4</sup>
Cumulative realized CO <sub>2</sub> reductions (tonnes)	2,499	20,719	100,110	224,937	396,434	541,039
Cumulative number of sub-loans since Inception <sup>5</sup>	200	9,102	13,794	25,442	33,819	40,254

<sup>4</sup> Explained by SREI. Full facility disbursed to the bank and 100% on-lent. Project generates 2m tonnes CO<sub>2</sub> savings, (30% of the fund's saving lifetime savings as of today).

<sup>5</sup> Including Dis.

# Fund Facts

<b>Fund name</b>	GCPF (Global Climate Partnership Fund SA)			
<b>Fund domicile and type</b>	Luxembourg, SICAV-SIF, closed-end investment company			
<b>Regulation</b>	As the Fund is managed in the public interest, it is exempt from the scope of the AIFM law pursuant to article 2(2) thereof			
<b>Investment Manager</b>	responsAbility Investments AG, Zurich			
<b>Administrative and Domiciliary Agent</b>	Banque de Luxembourg, Luxembourg			
<b>Custodian bank</b>	Banque de Luxembourg, Luxembourg			
<b>Inception date</b>	22 December 2009			
<b>Operation start</b>	October 2010			
<b>Initiators</b>	Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) KfW Entwicklungsbank			
<b>Fund currency</b>	USD			
<b>Distribution</b>	Annually			
<b>Valuation (NAV calculation)</b>	Quarterly (last calendar day of March, June, September and December)			
<b>Minimum subscription</b>	USD equivalent of EUR 200,000 (for individual investors participating in a note tranche) USD 5m (note tranches, A & B-share tranches)			
<b>Subscription/Commitment</b>	At each closing (at the discretion of the Board of Directors), investors commit to subscribe or directly subscribe to a specific share class and/or the notes			
<b>Redemption of units</b>	At maturity (all shareclasses have a defined maturity)			
<b>Term</b>	Closed-ended fund with unlimited duration			
<b>Classes</b>	Notes	Class A shares (senior)	Class B shares (mezzanine)	Class C shares (first loss)
<b>Features</b>	Floating rate interest rate of USD 6 months Libor plus a spread or fixed rate Duration: 5 - 7 years for each tranche	Target dividend plus a complementary dividend (if target dividend exceeded) Target dividend is USD 6 months Libor plus a spread agreed with the Board of Directors Duration: 5 – 15 years for each tranche	Target dividend plus a complementary dividend (if target dividend exceeded) Target dividend is USD 6 months Libor plus a spread agreed with the Board of Directors Duration: 5 – 15 years for each tranche	Target return: a fixed rate target return or floating rate target return p.a. set in the relevant commitment agreement and/or subscription form Duration: unlimited



## Complaints

Any complaints to the Fund can be submitted either in written form to responsAbility Investments AG, Josefstrasse 59, 8005 Zurich, or electronically through [complaints@gcpf.lu](mailto:complaints@gcpf.lu).

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