

Sustainable Finance

Innovative financial instruments of Uruguay I 2030 Agenda

SSLB: USD 1.500.000.000

Government Agencies:



Ministerio
de Economía
y Finanzas



Ministerio
de Ambiente



Ministerio
de Ganadería,
Agricultura y Pesca



Multilateral Organizations:



Banco Interamericano
de Desarrollo

Investors: **10%** Local

90% Foreign

Verifier:



SDG:



World Bank Loan: USD 350.000.000

Government Agencies:



Ministerio
de Economía
y Finanzas



Ministerio
de Ambiente



Ministerio
de Ganadería,
Agricultura y Pesca

Multilateral Organizations:



WORLD BANK GROUP

Verifier:



SDG:



REIF:

USD 10.000.000

SDG Fund Financing

USD 29.400.000

Private Cofinancing

USD 21.000.000

Government Financing

Government Agencies:



Ministerio
de Industria,
Energía y Minería



Ministerio
de Ambiente



Oficina
de Planeamiento
y Presupuesto

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Multilateral Organizations:



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



UN WOMEN

Supports:



United
Nations

Investors:



Fiduciary:



SDG:



SIB: USD 765.700

Government Agencies:



Oficina
de Planeamiento
y Presupuesto



Uruguay
Presidencia



Ministerio
de Desarrollo
Social



Ministerio
de Educación
y Cultura



Non-profit organizations:



Verifier:  Grant Thornton

Multilateral Organizations:



Inter-American
Development Bank

Investors:



Fiduciary:



CORPORACIÓN NACIONAL
PARA EL DESARROLLO

SDG:



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SSLB

The ***Sovereign Sustainability-Linked Bond*** is the first global bond indexed to sustainability indicators that incorporates a two-way interest rate structure, linking the country's cost of capital with the achievement of its climate and nature-based goals, as committed under the Paris Agreement. Through this mechanism, Uruguay aligned its national financial strategy with its sustainability efforts, creating an innovative tool that brings borrowers and investors together in the effort to protect the planet, reduce greenhouse gas emissions, and conserve native forests.

World Bank Loan

The loan will reward compliance with climate objectives related to sustainable livestock with a significant reduction in interest rates, potentially reaching up to 1% annually.

This reduction will be granted if the targets for reducing methane emissions intensity in beef production are exceeded by one percentage point, relative to Uruguay's commitments in the Paris Agreement.

REIF

The ***Renewable Energy Innovation Fund*** is a program that drives Uruguay's second energy transition through an innovative financing instrument for the country.

Its aim is to channel investments from the private sector, in conjunction with banks, to develop and implement infrastructure and technologies that transform the industry and transportation, by utilizing the renewable electric energy produced in the country. It seeks to ensure universal access to renewable resources and to promote innovation and competitiveness within the energy sector by reducing energy costs and increasing participation of women in the clean energy economy.

SIB

Social impact bonds are contracts based on verifiable and measurable results, which utilize private financing from investors to secure the necessary resources for providers to implement a social service.

The SIB pilot in Uruguay aims to use this mechanism to increase high school graduation rates, employment, and educational continuity through dual education.

Additionally, it seeks to establish an active impact investment market by connecting private investment with social innovation, advocating for social policies focused on pay-for-results, and creating a new way for civil society, investors, international organizations, and the government to collectively address multidimensional social problems, effectively leveraging their capabilities and resources.

