

Iberdrola and the World Bank extend their partnership with a 300 million green loan for renewable projects in emerging countries

- *With the loan, the utility will finance renewable projects in coal-dependent countries such as Morocco, Poland and Vietnam.*
- *The loan is part of the [collaboration signed in May last](#) year and is linked to reducing polluting emissions and expanding Iberdrola's renewable capacity.*

Iberdrola receives new recognition from the World Bank, through its private sector investment arm – [International Finance Corporation](#) (IFC) –. The institution and the electricity company have signed a loan, linked to ESG criteria (environmental, social and corporate governance), of 300 million euros for renewable projects in countries that depend on fossil fuels, such as coal, including Morocco, Poland and Vietnam.

170 million euros of the agreed amount have already been committed to finance onshore wind energy projects in Poland. In addition, both institutions continue to analyse options for collaboration to support the development of new innovative clean energy projects in emerging countries, such as offshore wind and green hydrogen generation.

The current loan is subject to meeting two strategic ESG targets for the group. The first goal is to reduce the company's absolute direct and indirect greenhouse gas emissions by more than 60% by 2030 compared to the 2020 baseline, including Scopes 1, 2 and 3, from the company's operations, customers and supply chains. The second goal is to more than double Iberdrola's installed capacity by 2030, which at the end of the third quarter of 2023 exceeded 41,000 *clean* MW.

The loan is part of the [collaboration signed in May](#) last year to promote energy transition in emerging countries. At that time, [a green loan linked to sustainability targets of \\$150 million \(approximately €136 million\) was signed](#) to finance digitalisation and energy efficiency improvements in the electricity distribution networks operated by Iberdrola's subsidiary in Brazil. Earlier, in 2022, IFC had already granted Neoenergia a loan for \$115 million.

José Sainz Armada, Iberdrola's Director of Finance, Control and Corporate Development, said: "This loan will allow Iberdrola to continue contributing to the energy transition, decarbonisation and electrification in developing countries – which are still highly dependent on fossil fuels. It also consolidates IFC as one of Iberdrola's major allies in providing financing for renewable projects."

Alfonso Garcia Mora, IFC Vice President for Europe, Latin America and the Caribbean said: "This loan is a significant step in the global IFC-Iberdrola Energy Transition Partnership, which aims to support Iberdrola's expansion and re-entry into emerging markets that need to decarbonise

their energy matrix". "We look forward to partnering with Iberdrola on projects that can accelerate a just and equitable transition to a low-carbon and sustainable energy future in developing and emerging markets."

IFC, committed to emerging markets

IFC, with an AAA credit rating, is the World Bank Group's private sector lending arm in more than 100 emerging countries, to enable them to improve their own private sectors by investing in companies through loans, equity and guarantees. The goal is to mobilise capital from other investors, and to advise companies and governments to stimulate private investment.

Last year, the institution made an investment record amount of \$43.7 billion (40 billion euros) to private companies and financial institutions in developing countries. IFC empowers the private sector to end poverty and boost shared prosperity as economies grapple with the impacts of crises.

Iberdrola, leader in sustainable finance

Iberdrola is a leader in green finance. Last December, Europe's leading electricity company and the world's second largest by stock market value signed its [largest ever credit line for €5.3 billion](#) with 33 banks at similar prices to those agreed in 2019 and with a cost linked to the fulfilment of a series of ESG objectives. IFC's relationship with Iberdrola dates back to 1998 with financing for Iberdrola's subsidiaries in Bolivia.

Iberdrola has established itself as a global benchmark in sustainable financing, being the first private group in the world to issue green bonds – after becoming the first Spanish company to issue a bond of these characteristics in 2014. The group currently has almost 20,000 million euros of outstanding green bonds.