



IFC Launches “Impact Notes - Green Bonds” for U.S. Individual Investors

Washington, D.C., September 8, 2014—IFC, a member of the World Bank Group, is launching a new program that for the first time allows U.S. individual investors to buy triple-A rated IFC bonds that support renewable energy and energy efficiency investments in developing countries.

The offerings, called “IFC Impact Notes - Green Bonds”, expand the IFC Impact Notes program, introduced in March 2014 as a triple-A rated bond alternative to other high-grade securities such as those issued by Government Sponsored Enterprises, or GSEs. IFC will be the first issuer to regularly offer green bonds to individual investors in the U.S.

IFC Impact Notes have the potential to offer more attractive yields than U.S. Treasuries with equivalent maturities. A wide range of investors already participate in the program, with IFC Impact Notes sales in excess of \$60 million since the launch.

IFC raises funds in the global capital markets to support investments that promote economic growth and job creation in developing countries. Green bonds are issued under IFC’s regular borrowing program.

Proceeds from IFC green bonds are set aside in a separate account for investing exclusively in renewable energy and energy efficiency projects. Criteria for projects eligible for funding from IFC green bonds are independently verified by the Center for International Climate and Environmental Research-Oslo.

Since 2010, IFC has issued \$3.6 billion in green bonds in various structures and currencies including Chinese renminbi, Japanese yen and U.S. dollars. This includes two benchmark \$1 billion issues in 2013 that set a precedent as the largest green bonds in the market at time of issuance and helped solidify the market.

Year to date, there have been \$20 billion in green bonds issued by development banks, insurance agencies, electricity companies and a range of other agencies.

“The green bond asset class is gaining momentum as more and more investors and issuers consider the environmental impact of their investment and business strategies,” said Jingdong Hua, IFC Vice President and Treasurer.

“Green bonds issued under the IFC Impact Notes program will enable individual investors in the U.S. to support investments that help address the impacts of climate change in developing countries and globally”, he said.

“We welcome the opportunity to add IFC Green Bonds to our new values-based investing platform - Legacy. IFC Green Bonds provide an attractive investment proposition for individual investors that supports climate-related projects while also promoting economic growth around the globe”, said Louise Herrle, Managing Director of Capital Markets for Incapital.

"IFC has been one of the pioneers in the green bond market and in raising awareness about the opportunities in climate-friendly investment. Incapital is very pleased to once again partner with IFC as they expand their innovative Impact Notes program."

IFC's current annual funding program is \$18 billion across a range of markets and currencies, with U.S. dollar borrowings accounting for most of the funding activity. IFC has been rated triple-A since its first rating in 1989.

IFC Impact Notes are denominated in U.S. dollars.

IFC Impact Notes—Green Bonds Terms and Conditions

IFC Impact Notes – Green Bonds are ten-year, non-call three-year step-up notes.

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. Working with private enterprises in about 100 countries, we use our capital, expertise, and influence to help eliminate extreme poverty and boost shared prosperity. In FY14, we provided more than \$22 billion in financing to improve lives in developing countries and tackle the most urgent challenges of development. For more information, visit www.ifc.org

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