

# Issue brief Mexico: The energy transition journey

By Amin Mohseni-Cheraghlou, Muhammad Rafdi Fayyadh, and Frank Willey

Transforming energy systems in emerging markets and developing economies (EMDEs) to address climate change requires a significant increase in investment. However, existing initiatives to fund this transformation are wholly insufficient for these economies to generate clean energy at the scale required to meet rising demand while minimizing emissions. Several institutions have proposed a variety of investment structures to bridge this financing gap. This case study of Mexico's energy sector—and others complementing a primary report—illustrates the potential for a guarantee-based mechanism to leverage private investment in EMDEs at a far greater multiple than other approaches currently being proposed.<sup>1</sup>

## Overview: Mexico's energy targets and plans under their Nationally Determined Contribution

In November 2025, the Mexican government submitted its updated Nationally Determined Contribution (NDC) under the Paris Agreement.<sup>2</sup> It sets an absolute emissions cap for 2035 that would reduce emissions by more than 50 percent compared to baseline.

However, meeting these targets will not be easy. Mexico, a major oil producer, remains heavily dependent on fossil fuels. As of 2024, data from the International Energy Agency (IEA) shows that the country's overall energy mix consisted of 40 percent oil, 46 percent natural gas, 4 percent coal,

4 percent biofuels, and only 3 percent from wind and solar combined (Figure 1). In terms of electricity generation, the reliance on fossil fuels is similarly pronounced but cleaner, with 62 percent produced using natural gas, followed by about 7 percent each from coal and oil. To be sure, Mexico has made progress in expanding renewables. Renewables, including hydro and geothermal, accounted for around 19 percent of Mexico's electricity generation (Figure 3). The country also possesses considerable renewable energy potential, thanks to its abundant solar radiation, strong wind resources, and rich geothermal capacity.

Mexico is the second-largest greenhouse gas emitter in Latin America and the Caribbean

1. Amin Mohseni-Cheraghlou and Frank Willey, "Scaling up Private Capital for Climate Investment in Emerging Markets," Atlantic Council, June 16, 2025, <https://www.atlanticcouncil.org/in-depth-research-reports/issue-brief/scaling-up-private-capital-for-climate-investment-in-emerging-markets>; Ian Callaghan, et al., "Guarantees 2.0: Meeting Climate Finance Needs in the Global South," Atlantic Council, September 18, 2023, <https://www.atlanticcouncil.org/in-depth-research-reports/issue-brief/guarantees-2-0-meeting-climate-finance-needs-in-the-global-south>.
2. "Message from Secretary Alicia Bárcena Ibarra when presenting Mexico's NDC 3.0 at the Plenary Session of the Leaders' Climate Summit," Government of Mexico, November 7, 2025, <https://www.gob.mx/semarnat/documentos/mensaje-de-la-secretaria-alicia-barcelona-ibarra-al-presentar-la-ndc-3-0-de-mexico-en-la-sesion-plenaria-de-la-cumbre-climatica-de-lideres>.

Figure 1: Total energy supply, 2023

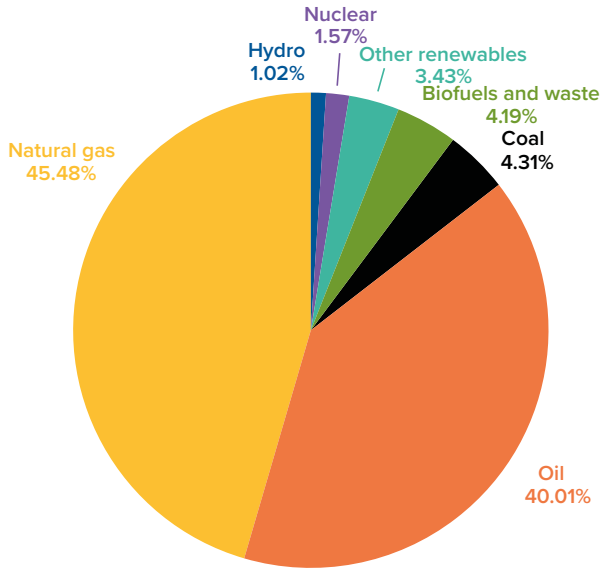


Figure 2: Evolution of total energy supply, 2000-2023

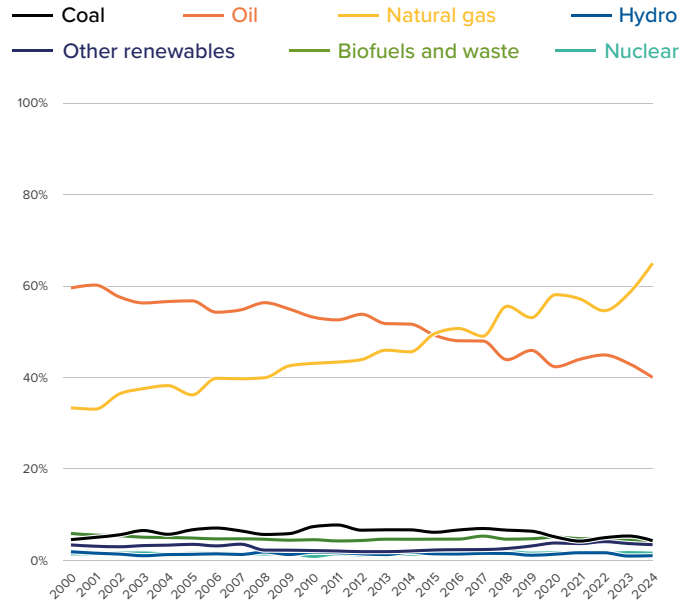


Figure 3: Electricity generation sources, 2023

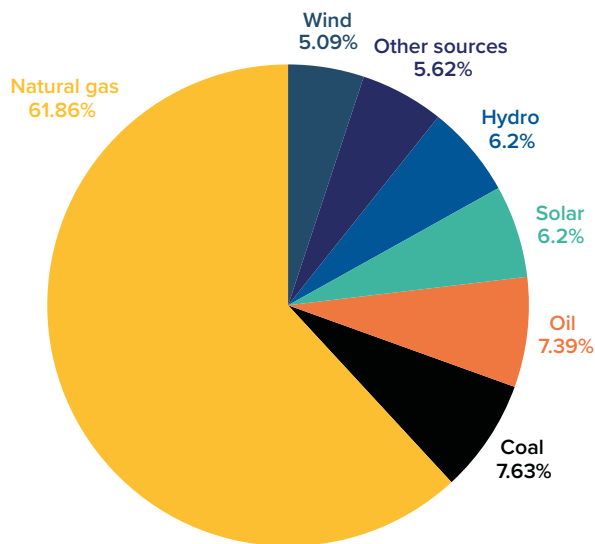
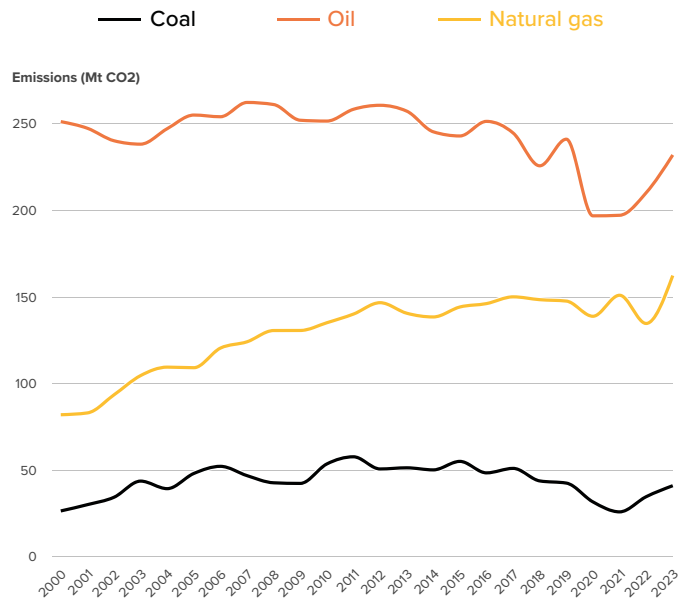
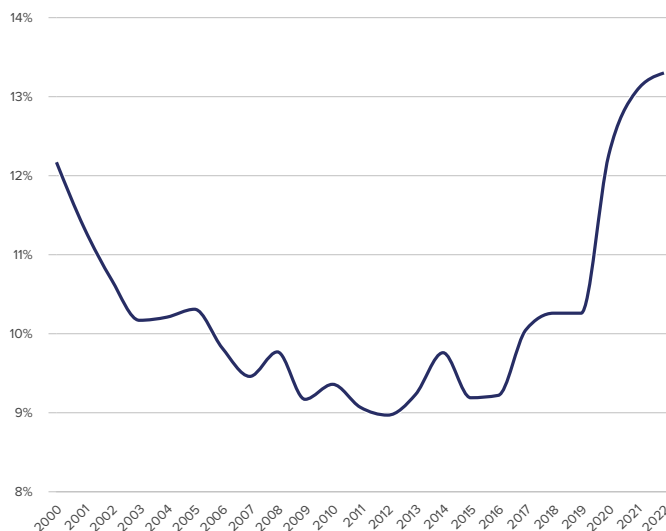


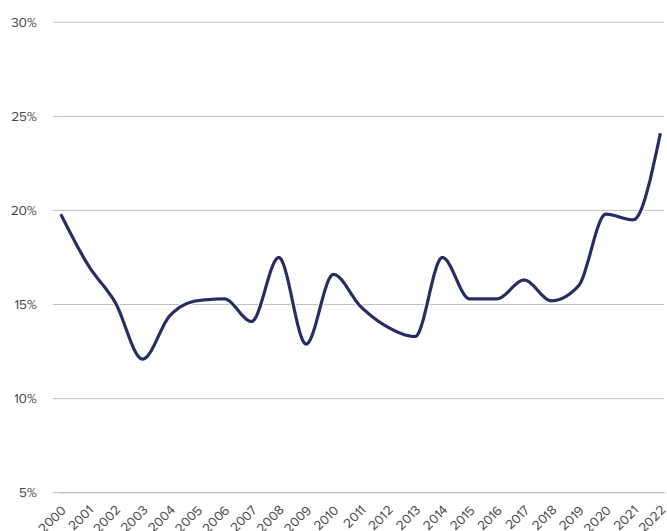
Figure 4: Evolution of CO<sub>2</sub> emissions by fuel, 2000-2022



**Figure 5: Share of modern renewables in final energy consumption (%), 2000-2021 (ranked 72<sup>nd</sup> in the world in 2021)**



**Figure 6: Renewables share of electricity generation (%), 2000-2022 (ranked 85<sup>th</sup> in the world in 2022)**



Source: “Mexico,” International Energy Agency, accessed September 23, 2025, <https://www.iea.org/countries/Mexico/>.

(Figure 4), and while the country is taking steps to decarbonize its economy, recent regulatory shifts and political decisions to disrupt market-based competition and prioritize state-owned production in the electricity sector is generating investment uncertainty and threatens to deter private investment. The Sheinbaum administration published Plan México, which lays out the government’s economic development goals, focusing on economic growth and investment across five pillars: energy, water, transport, professional and technical education, and housing.<sup>3</sup> Plan México and the “Plan Nacional de Desarrollo” (National Development Plan) include ambitious goals, like a goal of 45 percent clean energy in the energy mix by 2030, but some investors are concerned about electricity sector rules including mandates for state-owned electricity production and priority dispatch rules still favoring fossil fuels over cheaper renewables, which undermines fair market competition.<sup>4</sup>

Strong fossil fuel industry influence, administrative bottlenecks, and technical issues common to renewables in any country like intermittency and storage requirements further slow progress. Moreover, aging grid infrastructure, high upfront costs, limited private investment, and regulatory uncertainty hinder further

renewable expansion, especially in remote areas. Developers must also contend with difficulties certifying renewable electricity. Socioeconomic and environmental concerns, including community engagement and local impacts, add further complexity.

Despite these obstacles, major projects like the Puerto Peñasco Solar Park and CFE’s \$23.4 billion investment plan reflect ongoing efforts. Key reforms like the 2013 Energy Reform and the 2015 Energy Transition Law opened the sector to private investment, driving renewable growth.

Still, recent policy shifts emphasize state utility CFE’s dominance, requiring 54 percent state control of electricity generation and imposing storage mandates for new projects. This limits private sector participation and creates regulatory uncertainty. Investment is constrained by high upfront costs, insufficient government funding, and a lack of private capital. Balancing state control with private innovation will be critical for Mexico to meet its 2030 climate goals and fully leverage its renewable potential.

3. “Plan México,” Government of Mexico, accessed September 23, 2025, <https://www.planmexico.gob.mx/>.

4. “Plan México”; “Plan Nacional de Desarrollo, 2025-2030,” Government of Mexico, February 26, 2025, [https://www.gob.mx/cms/uploads/attachment/file/981072/PND\\_2025-2030\\_v250226\\_14.pdf](https://www.gob.mx/cms/uploads/attachment/file/981072/PND_2025-2030_v250226_14.pdf).

### Financing Requirements and Recent Trends

Over the last decade, Mexico has faced a critical balancing act between energy sovereignty and climate ambition. Once considered a Latin American leader in clean energy integration, Mexico's trajectory has diverged in recent years due to shifting federal priorities, policy uncertainty, and a re-emphasis on fossil fuels.<sup>5</sup> Although a new administration has created an opening for renewable energy investment and a potential opportunity for investors, Mexico must contend with the political uncertainty generated by mandates for state-owned electricity production, recent cancellations of renewable energy auctions, and constitutional reforms to unlock long-term success in meeting its climate and energy goals. Still, Mexico's vast renewable energy potential, along with growing international collaborations and new financing opportunities, gives the country a chance to revitalize its climate finance strategy and keep up with its long-term sustainability agenda.

Mexico's updated NDC is a part of a broader long-term strategy, including Mexico's Programa Especial de Cambio Climático.<sup>6</sup> Mexico's climate ambitions require a dramatic increase in both public and private financing, across key sectors. Various studies estimate the scale of investments needed. Studies project that Mexico must mobilize between \$100 billion and \$185 billion to meet its mitigation and adaptation objectives.<sup>7</sup> Mexico did not include a sectoral breakdown of investment needs in its latest NDC. However, in 2018, Mexico's Instituto Nacional de Ecología y Cambio Climático provided sectoral estimates that reflect the general breakdown in funding required to comply with the NDC. With nearly \$68 billion in gross costs, this sector, responsible for a large portion of Mexico's emissions, needs investments in decarbonizing power generation, modernizing grids, and improving energy efficiency. The transport sector requires almost \$30 billion to reduce emissions through electrifying public and freight transport. The petroleum and gas sector, along with the industrial sector, needs \$5.4 billion

and \$8 billion to improve production processes and adopt cleaner technologies. The agriculture and livestock sector requires a relatively small amount, around \$280 million, for climate-resilient farming practices. Lastly, the residential and commercial sectors need about \$1.1 billion for energy-efficient building retrofits and sustainable construction practices.

From 2009 to 2017, Mexico secured \$8.6 billion in climate funding from global partners, highlighting growing international support for its environmental transition.<sup>8</sup> This funding came from multilateral banks, international funds, NGOs, and cooperation agencies, all backing various climate projects. Of the total amount, 44 percent was allocated to mitigation efforts, 22 percent supported adaptation measures, 26 percent was directed toward cross-cutting projects that addressed both objectives, and 7 percent went toward initiatives across all efforts. Most of these financial resources originated from two key institutions, the World Bank and the Inter-American Development Bank, which collectively provided over 80 percent of the total funds.

From 2017 to 2018, Mexico mobilized approximately \$9.16 billion in climate finance.<sup>9</sup> National sources accounted for most of this—85.6 percent—while multilateral and bilateral providers contributed 8 percent and 6.4 percent respectively. Financing was delivered through various instruments, with direct grants accounting for approximately 58 percent of the total.

Cross-sectoral initiatives accounted for 78 percent of the total financing in this period, focusing on areas like sustainable consumption, research and capacity building for low-carbon and climate-resilient development, and planning for land use and development with climate change in mind. Institutional transparency, resilient tourism, agriculture, and rural development also received attention. The energy sector followed, receiving 14 percent of the total funding, while the residential-commercial sector received 4.5 percent. The

5. Gavin Maguire, "Mexico's Energy Transition Hits Reverse in 2023," Reuters, February 13, 2024, <https://www.reuters.com/markets/commodities/mexicos-energy-transition-hits-reverse-2023-2024-02-13/>.

6. "Programa Especial de Cambio Climático 2021-2024," Secretariat of Environment and Natural Resources, November 8, 2021, <https://www.gob.mx/cms/uploads/attachment/file/681172/PECC-2021-2024.pdf>.

7. Andrés Flores Montalvo et al., "A Socially Inclusive Economic Transition for Mexico: Identifying the Opportunities and Benefits of Enhanced Climate Action," World Resources Institute México, November 2023, <https://es.wri.org/sites/default/files/2023-12/A%20socially%20inclusive%20economic%20transition%20for%20Mexico01122023-ALL.pdf>; "FINACC: Financiamiento para la Acción Climática en México," Cooperación Clima GIZ México, accessed September 23, 2025, <https://www.cooperacionclima.com.mx/proyecto/detalle?id=20>; "Costos de las Contribuciones Nacionalmente Determinadas de México: Medidas Sectoriales No Condicionadas," Government of Mexico, 2018, 143, [https://www.gob.mx/cms/uploads/attachment/file/330857/Costos\\_de\\_las\\_contribuciones\\_nacionalmente\\_determinadas\\_de\\_M\\_xico\\_\\_dobles\\_p\\_ginas\\_.pdf](https://www.gob.mx/cms/uploads/attachment/file/330857/Costos_de_las_contribuciones_nacionalmente_determinadas_de_M_xico__dobles_p_ginas_.pdf).

8. "Financiamiento a las Acciones de Mitigación en México: Informe Final," National Institute of Ecology and Climate Change (INECC), 2016, 6, [https://www.gob.mx/cms/uploads/attachment/file/199498/7\\_CGCV\\_2016\\_Financiamiento\\_a\\_las\\_acciones\\_de\\_mitigaci\\_n\\_en\\_M\\_xico\\_Informe\\_final\\_130317\\_1.pdf](https://www.gob.mx/cms/uploads/attachment/file/199498/7_CGCV_2016_Financiamiento_a_las_acciones_de_mitigaci_n_en_M_xico_Informe_final_130317_1.pdf).

9. "Oportunidades y Barreras para Aprovechar las Fuentes de Financiamiento Internacional que Favorezcan el Alcance de los Objetivos Climáticos Sectoriales de México," National Institute of Ecology and Climate Change (INECC), 2018, 96, [https://www.gob.mx/cms/uploads/attachment/file/422301/Barreras\\_Oportunidades\\_Financiamiento\\_CGCV.pdf](https://www.gob.mx/cms/uploads/attachment/file/422301/Barreras_Oportunidades_Financiamiento_CGCV.pdf).

transportation and industry sectors secured only 2.3 percent of the resources.

In Mexico, the Ministry of Finance (SHCP) oversees national funds for climate investment. However, their allocation and management depend on each ministry's internal frameworks and priorities. While most funds are integrated into standard ministerial budgets, specialized mechanisms are also used to manage targeted financing. For example, the National Fund for Climate Change is administered by the Ministry of Environment (SEMARNAT) and distributed through Nacional Financiera (NAFIN), a national development bank.<sup>10</sup> Other development banks like the Banco Nacional de Obras y Servicios Públicos (BANOBRAS) also play a central role in mobilizing climate finance and supporting private investment.<sup>11</sup>

### ■ Political shifts and investment uncertainty

Mexico's renewable energy sector grew rapidly in the mid-2010s, spurred by supportive policies and a surge in private investments. The 2012 General Law on Climate Change (LGCC) established a framework for coordinated action across sectors, with binding greenhouse gas reduction goals. This was followed by the Energy Transition Law in 2015, which aimed to ensure that 35 percent of the country's energy would come from renewable sources by 2024. Between 2015 and 2018, three rounds of long-term electricity auctions attracted over \$9 billion dollars in clean energy investment.<sup>12</sup>

During this period, Mexico also expanded transmission access for private developers and introduced Clean Energy Certificates (CELs) to reward low-carbon electricity generation.<sup>13</sup> Tax incentives, such as accelerated depreciation allowing up to 100 percent deduction of capital costs in the first year, further supported this renewable boom.<sup>14</sup> Development banks like NAFINSA de-risked early-stage investments, financing up to 50 percent of the Aura Solar I project, the country's first large-scale photovoltaic initiative.<sup>15</sup> Private sector participation in the transmission sector reduced bottlenecks in high-resource zones like the Tehuantepec isthmus, improving the bankability of renewable projects.<sup>16</sup>

Some recent decisions, however, have worried investors. In 2021, the government proposed amending the Electric Industry Law (LIE).<sup>17</sup> Though legal challenges stopped the proposed changes, investors worried about the unpredictability of the country's energy future. The CELs system also faced challenges in 2023 when the government suggested awarding certificates to the state-owned utility, Comisión Federal de Electricidad (CFE).<sup>18</sup> Again, the courts intervened, suspending this policy. Mexico also began reversing course on key investment mechanisms. The government<sup>19</sup>, ending one of the most successful tools for attracting cost-effective renewable capacity. At the same time, it increased subsidies and capital support for fossil fuels. For example, the administration allocated \$6.7 billion in 2025 to support the state-owned petroleum corporation.<sup>20</sup> Reforms

10. "Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo (NAFIN)," Green Climate Fund, accessed September 23, 2021, <https://www.greenclimate.fund/ae/nafin>.
11. "Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS)," Green Climate Fund, accessed September 23, 2025, <https://www.greenclimate.fund/ae/banobras>.
12. Thomas Monteiro, "Mexico: Renewable On Hold," *Global Finance*, October 5, 2022, <https://gfmag.com/features/mexico-renewables-on-hold/>.
13. "Mexico Capacity and Power Auctions Supported by Clean Energy Certificates," International Energy Agency, last updated February 7, 2017, <https://www.iea.org/policies/6246-mexico-capacity-and-power-auctions-supported-by-clean-energy-certificates>.
14. Rubén Darío Gómez Arnaiz and Luis González Cerda, "Green CUFIN: Tax Incentive for Renewable Generation Companies," Ramos, Ripoll & Schuster, October 26, 2020, <https://www.lexology.com/library/detail.aspx?g=b950ca7e-d59f-4fb0-946b-d7b8be15e959>.
15. "Renewable Financing Grows NAFINSA's Portfolio," *Mexico Business News*, February 19, 2014, <https://mexicobusiness.news/energy/news/renewable-financing-grows-nafinsas-portfolio>.
16. Sergio Taborga, "Mexico's Pension Reform to Fund Transmission Projects," *Mexico Business News*, July 17, 2024, <https://mexicobusiness.news/energy/news/mexicos-pension-reform-fund-transmission-projects>.
17. Arturo Oropeza Casas et al., "Reform to Mexican Electricity Law to Come into Effect," *JD Supra*, March 5, 2021, <https://www.jdsupra.com/legalnews/reform-to-mexican-electricity-law-to-8860747/>.
18. Federico Santacruz González et al., "The SCJN Confirms the Unconstitutionality of the 2021 Amendments to the Electric Industry Law," *Chambers and Partners*, March 6, 2024, <https://chambers.com/articles/the-scn-confirms-the-unconstitutionality-of-the-2021-amendments-to-the-electric-industry-law>.
19. Emiliano Bellini and Jorge Zarco, "Mexico Cancels Fourth Energy Auction," *pv magazine International*, February 1, 2019, <https://www.pv-magazine.com/2019/02/01/mexico-cancels-fourth-energy-auction/>.
20. "Mexico to Extend US\$6.7 Billion to Cover Oil Producer Pemex's Debt in 2025," *Reuters*, November 15, 2024, <https://www.reuters.com/business/energy/mexico-extend-67-billion-cover-oil-producer-pemexs-debt-2025-2024-11-15/>.

were also passed granting PEMEX greater flexibility to partner with private actors.<sup>21</sup> Earlier, in 2021 and 2022, the government acquired the Deer Park refinery in Texas and continued the construction of the Dos Bocas refinery.

In 2025, the Mexican government passed comprehensive reforms through the Electricity Sector Law (LSE), which replaces the Electric Industry Law. Among other provisions, the new law mandates that the Comisión Federal de Electricidad (CFE) generate at least 54 percent of the country's electricity, creates a new National Electricity Commission (CNE), and clarifies the role of the private sector in energy transactions. The new Mexican government led by President Claudia Sheinbaum has recommitted to clean energy development via Plan México and other initiatives; however, concerns are mounting that the ambitious economic development goals across the Mexican economy are faltering, with projects unable to attract investment in line with targets.<sup>22</sup>

Mexico launched its Sustainable Taxonomy in 2023, developed with UNDP support.<sup>23</sup> The taxonomy classifies green activities and aims to align financial flows with environmental goals, helping to unlock ESG-aligned investment and guiding green bond issuance.

Mexico also holds substantial untapped potential, with 85 percent of its territory suitable for solar development, along with strong resources for wind, geothermal, and emerging hydrogen technologies. Recent policy moves, such as releasing clean hydrogen guidelines and growing interest in distributed solar generation, show promise. The sector could regain momentum with more precise policy alignment, and the potential revitalization of CELs trading may also attract more investment in clean energy projects.

### Unlocking capital: A guarantee facility to scale up private investment

Mexico is at a critical juncture where implementing consistent policies, clear regulations, and innovative finance solutions could help reignite climate investment and position the country as a leader in the green transition across Latin America. Private investment, with the right de-risking tools, could be key to Mexico's progress. Guarantee mechanisms such as the

Emerging Market Climate Investment Compact (EMCIC) can lower the costs of capital and make climate-related financing more feasible in Mexico.

EMCIC is designed to unlock \$100–500 billion in private capital over the next decade to accelerate green energy and nature-based investments in emerging markets and developing economies (EMDEs). Structured as a large-scale loan guarantee facility, EMCIC would offer institutional investors credit guarantees that cover up to 80 percent of non-currency risks across portfolios of climate-related projects. These risks, which are common to all energy projects to varying degrees, include regulatory and revenue risks, transmission bottlenecks and curtailment, price volatility, and permitting and environmental challenges. The lender will need to evaluate each project's specific risks to its portfolio and seek guarantees only for those projects for which the risks fit within parameters established by EMCIC.

The compact's primary goal is to elevate these investments to "investment grade" status in the eyes of internal credit committees, significantly reducing perceived risks and facilitating greater private capital flows into promising renewable energy markets. EMCIC is envisioned to be funded by a coalition of sovereign governments from high-income economies with strong economic ties to emerging markets, alongside support from major foundations and sovereign wealth funds.

In Mexico, the EMCIC guarantee mechanism could draw more private investment into the power grid, specifically to fund transmission infrastructure expansion; solar, wind, and geothermal projects; and battery energy storage systems. The new electricity law, regulations, and prioritization of the state-owned utility in markets has generated significant uncertainty among private investors. EMCIC is well-suited to mitigate the political and regulatory risks present in Mexico to facilitate private investment, particularly because it does not require a counter guarantee by the host country government. At the same time, the new electricity law commits to expanding clean energy technologies and creates an expanded role for energy storage to maintain system reliability. The EMCIC instrument could be instrumental in offsetting political risk, making investment opportunities more palatable, and thus

21. Adriana Barrera, "Mexico State Oil Firm Pemex to Have More Freedom for Partnerships Under Reform," Reuters, February 6, 2025, <https://www.reuters.com/business/energy/mexico-state-oil-firm-pemex-have-more-freedom-partnerships-under-reform-2025-02-06/>.

22. Emilia Quintana, "Plan México: Claudia Sheinbaum's Vision for Sustainable Growth and National Prosperity," Wilson Center, January 22, 2025, <https://www.wilsoncenter.org/article/plan-mexico-claudia-sheinbaums-vision-sustainable-growth-and-national-prosperity>; Alex Vasquez and Gonzalo Soto, "Mexico President Claudia Sheinbaum Grows Uneasy as Her Investment Plan Stumbles," *Bloomberg*, February 18, 2026, <https://www.bloomberg.com/news/articles/2026-02-18/claudia-sheinbaum-is-uneasy-as-mexico-investment-plan-stumbles>.

23. "Mexico's 2023 SDG Bond: Allocation and Impact Report," United Nations Development Programme (UNDP), November 2023, 16, <https://www.undp.org/sites/g/files/zskgke326/files/2023-11/231122-bono-ods.pdf>.

attracting additional private investors to help the country reach energy system expansion goals. EMCIC can be applied to both private and state-owned electricity infrastructure investment. EMCIC can enable international private investors to become more familiar with the Mexican power system while limiting risk exposure and without exacerbating the country's indebtedness.

EMCIC has several distinguishing features in comparison to other guarantee mechanisms and facilities. One distinctive feature of EMCIC is that it would not require sovereign guarantees from the countries where investments are made, which is a common barrier to project bankability in emerging market countries that often have existing indebtedness and cannot further strain their sovereign balance sheet with guarantees.<sup>24</sup> Instead, it would shift due diligence responsibilities onto prequalified investors, who would be required to manage diverse, standards-compliant investment portfolios across multiple markets. Second, EMCIC would provide comprehensive coverage of all risks except for currency risks, for which it will rely on market-based currency hedging operations. Many existing facilities only cover certain risks on projects (see table 1). Third, EMCIC presents a user-friendly, scalable model that reduces barriers for private

investors that are unfamiliar or inexperienced with blended finance transactions while upholding robust environmental and social safeguards. EMCIC would pre-qualify private investors to use the guarantees based on a set of standards that are similar to existing standards governing climate investment-driven facilities. However, after pre-qualifying investors, the EMCIC facility would not perform due diligence itself. Instead, private investors would carry out their own due diligence, while the facility would perform spot checks on projects within each investor's portfolio to verify compliance with established standards and key performance indicators.

EMCIC presents a user-friendly, scalable model that lowers barriers for private investors while upholding environmental and social safeguards. By leveraging existing financial instruments and EMCIC's risk-sharing solutions, Mexico can bridge its financing gap and accelerate its low-carbon transition. Priority for EMCIC-guaranteed projects in Mexico should be given to private financing of updating or expanding grid infrastructure, sourcing more energy solar, wind, and geothermal, and replacing powerplants running on coal and oil with natural gas powerplants.

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24. Mohseni-Cheraghloo and Willey, "Scaling up Private Capital."

**Table 1: A comparison of proposed and active guarantee facilities**

Guarantee provider	Eligible projects			Risks covered						Leverage	Funding	Target capitalization
	Clean energy	Nature-based / adaptation	SDG-aligned / other development goals	Project execution / construction	Political	Credit / default	Commercial / performance	First-loss / equity	Currency			
<b>Proposed/In-Progress</b>												
EMCIC	✓	✓	✗	✓	✓	✓	✓	✓ (anticipated)	✗	~1:10	5–10 developed countries	~\$10B (proposed facility)
BRICS Guarantee Platform	✓	✗	✓	✗	✓	✓	✗	✓ (possible)	✗	~1:10	Existing NDB balance sheet	NDB capital: \$100B authorized
The Green Guarantee Company	✓	✗	✗	✗	✗	✓	✓	✗	✗	~1:10	FCDO, GCF, NSIA, USAID / Prosper Africa, Norfund	\$100M+ initial target
<b>Active</b>												
MIGA Guarantees	✓	✗	✗	✓	✓	✓	✓	✗	✗	~1:5–10	World Bank Group resources	\$2.8B subscribed capital; targeting \$20B annual issuance by 2030
IFC Guarantees	✓	✗	✗	✓	✓	✓	✓	✗	✗	~1:4–8	IFC balance sheet / blended finance	\$40.9B total capital (June 2025)
iTrust Guarantee (RELP)	✓	✗	✗	✓	✗	✓	✓	✗	✗	TBF	Private investors	TBF
EFSD+	✓	✗	✓	✗	✓	✓	✓	✗	✗	~1:10	EU budget / EIB / DFIs	€60B target by 2027
African Development Bank Guarantees	✓	✗	✗	✓	✓	✓	✓	✗	✗	~1:6–8	AfDB capital base / donor trust funds	\$318B authorized capital (2024)
DOE Loan Guarantee Program	✓	✗	✓	✓	✗	✓	✓	✗	✗	~1:10–15	US Federal appropriations	\$290B loan authority through 2026
PIDG (GuarantCo)	✓	✓	✓	✓	✓	✓	✓	✗	✓	~1:3–10	UK, Netherlands, Switzerland, Australia, Sweden, Germany, Canada, IFC	~\$1.5B in guarantees issued to date
Africa GreenCo	✓	✗	✗	✓	✗	✓	✓	✗	✓	~1:10	InfraCo Africa, IFU, GuarantCo backing	\$27M GuarantCo guarantee facility
Infracredit (Nigeria)	✓	✗	✓	✓	✗	✓	✓	✗	✗ (local currency only)	~1:5–8	NSIA, GuarantCo, KfW, AFC, AfDB, InfraCo Africa	₦15B (\$35M) initial capital
Asian Development Bank (ADB)	✓	✓	✓	✓	✓	✓	✓	✗	✓	~1:5–10	ADB capital / donor funds	\$165B authorized capital (2024)
Asian Infrastructure Investment Bank (AIIB)	✓	✓	✓	✓	✓	✓	✓	✗	✗	~1:5–8	AIIB capital base	\$100B authorized capital
IDA (World Bank)	✓	✓	✓	✓	✓	✓	✓	✗	✗	~1:5–10	IDA donor contributions	\$93B IDA20 (2022-2025)
IBRD (World Bank)	✓	✓	✓	✓	✓	✓	✓	✗	✗	~1:5–10	IBRD capital / borrowings	\$283B subscribed capital
European Investment Bank (EIB)	✓	✓	✓	✓	✓	✓	✓	✗	✗	~1:8–12	EIB capital / EU budget backing	€248.8B subscribed capital (2023)
Export-Import Bank of the United States	✓	✗	✗	✓	✓	✓	✓	✗	✗	Varies	US Government backing	\$135B statutory exposure cap

Legend: ✓ = Covered/Eligible; ✗ = Not covered/Not eligible; **TBF** = To be finalized; — = Information not available; **Active** = Currently operational; **Proposed** = Under development; Leverage ratios indicate typical mobilization of private capital per dollar of guarantee/funding.

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Previously, he served as a senior advisor at the International Monetary Fund's Office of Executive Directors and was a research economist and consultant in different departments of the World Bank between 2007 and 2020. Most notably, he was part of the core team at the World Bank working on several rounds and updates of Bank Regulation and Supervision Survey, Global Financial Development Report, and leading the development of Global Financial Development Database.

Mohseni-Cheraghlou's areas of expertise are development macroeconomics, geoeconomics, energy economics, and international financial and trade relations with a focus on emerging markets, the United States, China, and the Middle East North Africa region.

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### About the center

The Atlantic Council Global Energy Center develops and promotes pragmatic and nonpartisan policy solutions designed to advance global energy security, drive economic opportunity, and foster a sustainable energy future.

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