

ISIF targets €1bn investment in climate action projects

ISIF reveals investment programme from sustainable infrastructure to new technologies, including energy efficiency, energy storage, renewables, forestry and waste, planned in the period 2021 to 2026.

The Ireland Strategic Investment Fund (ISIF) is targeting €1bn investment in climate action projects.

The fund has reported €1bn in investment gains in the last 18 months.

ISIF's H1 2021 report shows investment returns of 5.2pc in first half of 2021, an increase of €450m in six months and bringing total gains to €1bn over the last 18 months

ISIF's total investment gains/added value since inception in 2015 now stand at €2.2bn, with its Irish Portfolio adding €1.4bn and its Global Portfolio adding over €800m..

The fund executed 10 new investments in H1 2021, bringing total commitments in Ireland to €5.2bn across 151 investments.

Catalyst for change

ISIF also acted as a catalyst for €8.9bn of commitments by third party co-investment partners – a multiple of 1.7x the amount invested by ISIF. This co-investment multiple of €1.7m private sector co-investment for every €1m committed by ISIF significantly exceeds ISIF's target at inception (of €1m co-investment for every €1m committed by ISIF).

The fund's capital supported over 48,000 jobs supported and over €1.2bn in Gross Value Added to the Irish economy,

“Climate change is set to be the greatest challenge facing our society in our lifetimes and beyond,” said Nick Ashmore, director of ISIF.

“The urgency of the challenge is driving the far-reaching actions being taken by societies, governments, businesses, consumers and investors to create a more sustainable economy and way of living. Our society needs better technology, better ways of doing things and better ways to sustain our natural environment and the climate we depend on.

“These changes need entrepreneurs to develop the right ideas and investors to provide the capital these ideas need to become reality. ISIF, as Ireland's sovereign development fund, is in a unique

position to drive this investment, make it easier for quality projects to access both public and private capital, and fill gaps in the capital and risk spectrum.

“Our planned investment programme reflects the urgency of the climate challenge and the significant opportunities that exist to back Irish businesses and projects that are developing new and more sustainable ways of doing things. Our plan is ambitious but essential.

“ISIF plans to make both direct and fund-based investments aligned with this strategy, partnering with major global investors where appropriate, and will make further announcements over the coming months. We look forward to continuing to invest and be a catalyst for Ireland’s transition to Net Zero,” said Ashmore.

Targeted investment

The investment programme will complement ISIF’s existing investments, which are made in line with its unique “double bottom line” mandate to invest on a commercial basis to support economic activity and employment in Ireland.

Examples of investments that ISIF will target include:

- **Energy efficiency:** including the use of sustainable sources of power and heat, alongside promoting greater energy efficiency and less carbon in new buildings
- **Energy storage:** including developing and harnessing emerging technologies to facilitate a greater penetration of renewable energy by storing energy generated from wind and solar at times of low power demand
- **Renewables:** including greater use of large and small scale wind and solar power generation, both onshore and offshore
- **Better use of resources:** promoting improved transport, waste and other technologies, as well as significant forestry investments, to reduce Ireland’s carbon emissions

ISIF investments in H1 2021

Beach Point Capital

- €15m commitment to a new Beach Point Capital Fund. The Fund will focus on entrepreneur led, high-growth potential companies operating across multiple sectors, that are either too early stage or do not have the history of profitability required to secure debt funding from other lenders in the market.

DunPort

- €50m investment to DunPort Capital Management Fund. DunPort will target the provision of tailored and flexible debt capital solutions to lower mid-market companies with earnings of between €1m and €10m in Ireland and the UK.

Genesis

- €13m Investment to support the ongoing operations of Genesis, an Irish aircraft leasing company and an existing investee of ISIF.

Fexco

- ISIF provided Fexco with a €20m debt facility to support the ongoing operations and growth of a leading Irish payments and technology company.

Lightstone

- \$19m commitment to specialist US-based venture capital fund focused on medical devices and biopharmaceuticals.

Illumina Ventures

- \$30m commitment to Illumina Ventures. Illumina Ventures invests in transformative, industry disruptive, technology driven companies in life and physical sciences.

Stripe

- €42m (\$50m) investment in global payments technology company to support the company's growth plans.

Ocuco

- €15m investment in leading provider of software to the eyecare industry to primarily support continued research and development as well as product development.

AMCS

- €3m follow-on investment to AMCS – successful domestic company which develops and sells technology for environmental management.

Vectra

- €3m follow-on investment to Vectra – a successful artificial intelligence cybersecurity

company expanding their presence in Ireland.