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Brookfield's \$5 Billion Transition Fund

📅 19 Jun 2024 ⌚ 3 Min Read ✍️ CW Team

Brookfield Asset Management has joined forces with UAE-backed Alterra Management to create a \$5 billion Catalytic Transition Fund (CTF). Announced at COP28, this initiative aims to drive clean energy investments in emerging economies such as South America, Southeast Asia, the Middle East, and Eastern Europe. With \$1 billion from Alterra and Brookfield contributing 10% of the capital, the CTF focuses on enhancing private finance for the transition to net-zero economies. This aligns with the Paris Agreement goals, promoting substantial investment in clean energy projects across underserved markets.

Brookfield Asset Management, known for its expertise in alternative asset management, and Alterra, a UAE sovereign wealth fund, plan to leverage their combined resources and expertise to identify and support viable clean energy projects. The fund is expected to catalyze private sector investment, filling critical financing gaps that often hinder the progress of clean energy initiatives in developing regions. This strategic partnership signifies a major step forward in global efforts to combat climate change and accelerate the transition to sustainable energy sources.

The CTF will focus on a range of clean energy technologies, including solar, wind, and energy storage, as well as other innovative solutions that can reduce carbon emissions and support sustainable development. By targeting regions with significant potential for renewable energy growth, the fund aims to create a positive impact both environmentally and economically.

In addition to financial support, Brookfield and Alterra will provide strategic guidance and technical expertise to help project developers navigate the complex landscape of clean energy investment. This comprehensive approach ensures that funded projects are not only financially viable but also aligned with global best practices and sustainability standards.

The collaboration between Brookfield and Alterra represents a significant milestone in the mobilization of capital for climate action. It underscores the importance of international cooperation and the role of private finance in achieving global climate goals. As the world continues to grapple with the impacts of climate change, initiatives like the CTF are crucial for driving the transition to a low-carbon future and fostering sustainable development in emerging economies.