

# Unlocking capital for the climate transition



**Merkur regularly highlights the growing dynamism of Luxembourg's entrepreneurial landscape by featuring creative startups. Among the featured entrepreneurs is Michael Grimm, co-founder / CEO of Sponsor, who aims to democratise climate finance and accelerate global decarbonisation.**

## **Pitch your startup !**

Sponsor is a global co-operative dedicated to solving the climate crisis that nearly anyone can join. [Sponsor](#) operates a digital fintech platform providing the tools needed to enable the current US dollars 2 trillion p.a. climate mitigation project finance industry to rapidly scale to the US dollars 5.5 trillion p.a. needed to avert the worst of the climate crisis. We make climate finance easier. We are also a project finance advisor to national governments and climate mitigation projects, providing the structures needed to unlock capital at scale. In approximately 1-2 years we intend to become the world's first global co-operative green bank and operator of the Sponsor Exchange, which will democratise climate finance and enable everyone to buy and sell the assets associated with climate mitigation projects so everyone can profit from decarbonisation. We already support over

EUR 35 billion of climate mitigation projects globally despite having officially launched the platform in the summer of 2025.

### **How did you come up with your idea ?**

I lost my father to lung cancer in 2009, most likely caused by his living in close proximity to a coal-fired power plant most of his life. I then researched and realised that 9,000,000 people die prematurely every year due to fossil fuel-related air pollution and that the world could be powered entirely by renewable energy if we simply built enough of it. I decided to leverage my knowledge of finance to focus on financing the projects needed to decarbonise the global economy. I then worked at organisations like SMBC and ADB on some of the world's headline deals like the US dollars 1.7 billion Sarulla Geothermal Project and the US dollars 4 billion Vineyard Wind project. But I realised in 2017 that what I could do as an individual with the tools available at the time was barely moving the needle on global CO2 emissions. It became clear to me that we needed a digital platform for the industry to unite and work more efficiently, and a more scalable approach to achieving nationally determined contributions. I then started laying the groundwork for what finally became Sponsor, which launched in 2025.













Michael Grimm, co-founder / CEO of Sponsor (copyright : Sponsor).

Steven Lawson, co-founder of Sponsor (copyright : Sponsor).

A.T.M. Rahat Mohammed, co-founder CEO (copyright : Sponsor)

### **Why is now the best time to start your company ?**

Part of me wishes I had launched Sponsor when I first had the idea, but AI is now advanced enough that it can do a lot of heavy lifting for the industry, enabling project financiers, of which there are fewer than 100,000 on the planet, to get more deals done. All of the pieces are now in place to enable nations to rapidly [decarbonise](#) if they choose. Renewables are the cheapest form of electricity on the planet, and battery storage has become very cheap and reliable. Additionally, the Iran war has shown how vulnerable the world's energy system is to fossil fuel shocks. Countries can have cheaper and more reliable energy through domestic production of renewable energy. Now, we just need to unite and collaborate to get more renewable energy, electrification, and other climate mitigation deals done more quickly. That is what Sponsor is designed to enable.

### **Why Luxembourg ?**

Luxembourg is a reputable financial center that leads the world in sustainable finance. By making Luxembourg our home we not only ensure we have to operate to the highest standards, when we do so our licenses will enable us to passport regulatory approvals throughout the EU and beyond. Luxembourg laws around co-operatives also enabled us to design the Sponsor co-operative exactly how we wanted to, as a global democratic entity where everyone who gets involved benefits. The ecosystem is also fantastic for [start-ups](#), with organisations like LHoFT and Le Village offering programs like the Catapult Green Fintech program we won last year boosting the momentum of startups.

### **What is the next step ?**

The next step is to get around EUR 10 million in the bank through revenue and fundraising which will enable us to pursue our bank and securities licenses. This will enable us to launch banking services and the Sponsor Exchange, which will enable anyone, anywhere, to buy and sell the assets associated with the climate mitigation projects we support. Renewable energy projects typically offer lower risk and higher return than comparable corporate bonds, but the asset class is mostly limited to large institutions. We want to unlock this asset class for the average investor to not only accelerate the pace of decarbonisation, but to enable everyone to profit from the world's largest investment opportunity since industrialisation.

### **According to you, what will your company look in 10 years ?**

If we have our way, Sponsor will become the world's premier platform and organisation for solving the climate crisis, with millions if not billions of members united and collaborating in pursuit of this

goal.