OVERVIEW

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working in more than 100 countries, IFC committed a record $43.7 billion in own-account investments and mobilization from third parties to private companies and financial institutions in developing countries in fiscal year 2023 (FY23).* IFC partners with Dutch multinationals and mid-sized firms that are interested in investing in emerging markets. As of June 2023, IFC had a long-term committed investment portfolio of over $1.8 billion with Dutch partners spread across several sectors and regions.

*The World Bank Group fiscal year runs from July 1 to June 30 of the following calendar year.
PARTNERSHIP WITH THE GOVERNMENT AND THE DEVELOPMENT FINANCE INSTITUTION

The Netherlands is amongst IFC’s largest donors, with a contribution of over $160 million in FY19-23. It is one of IFC’s few partners which contributes to both its advisory services and its blended finance facilities. The Netherlands supports IFC’s advisory services across many important themes (fragility, forced displacement and migration, investment climate, public-private partnerships, climate change, SME financing, agriculture and food security, jobs and education, cleaner textiles, index insurance) and IFC’s priority regions (Africa and the Middle East).

The Netherlands facilitated and continues to fund the Prospects Partnership between the World Bank, IFC, ILO, UNICEF and UNHCR to address the situation of forcibly displaced people and their host communities in the Middle East and the Horn of Africa. It also supports the Compact with Africa, an initiative promoting private investment in Africa through improvements of the macro, business and financing frameworks in participating countries. The blended finance facilities backed by the Netherlands include the Ukraine Economic Resilience Program, the Prospects Partnership, the Global SME Financing Facility, the Private Sector Window of the Global Agribusiness and Food Security Program, the MENA Private Sector Development Facility. It also played a key role in supporting IFC’s Global Trade Liquidity Program during the global financial crisis.

The Netherlands Development Finance Company (FMO), the country’s entrepreneurial development bank, is the third largest IFC syndications partner globally with an active committed exposure of $847 million, mainly through B-Loans. In 2009, FMO was one of the first three signatories to the Master Cooperation Agreement and is the only DFI eligible to participate in IFC’s B-loan program. Almost 57% of IFC and FMO’s syndicated portfolio is concentrated in Sub-Saharan Africa. Recent co-investments include a $20 million B-loan to I&M Bank Ltd. to help small businesses in Kenya access financing and weather the effects of COVID-19, and a $75 million B-loan to FirstRand Bank Limited to enable financial and advisory support to energy-efficient and water-smart projects in South Africa.

Examples of Successful Cooperation

Arise, Tanzania

In June 2023, IFC committed an up to $100 million senior loan to NMB Bank, the largest bank in Tanzania, to support its lending operations throughout the country, with a focus on small and medium enterprises. One of the shareholders of NMB Bank is Arise, a financial holding company co-founded by Rabobank, FMO and Norfund. IFC’s investment will support NMB’s operations and expedite post COVID-19 recovery in Tanzania, boosting employment and reducing poverty and inequality. Previously, IFC committed a $90 million senior loan under its COVID-19 Working Capital Solutions program to NMB in June 2021 to help it extend new trade-related or working capital loans to companies whose cash flows have been disrupted by the COVID-19 pandemic.

Royal FrieslandCampina, Pakistan

In May 2023, IFC committed a €75 million senior loan under the Fast Track Covid Response Facility to meet the working capital needs of Royal FrieslandCampina (RFC) in emerging markets, including Pakistan. The Netherlands-based RFC is wholly owned by Zuivelcoöperatie FrieslandCampina, the largest dairy cooperative in Europe. The loan will help address the impact of high commodity prices resulting from COVID-19 related supply chain disruption. It will also help to preserve the sourcing, processing and distribution of dairy products across emerging markets, including Pakistan, thereby increasing food security and supply chain resilience to market shocks.

HCBG Holding, Kyrgyz Republic

In August 2022, IFC committed a $10 million senior loan in local currency to DKIB, the fifth largest bank in the Kyrgyz Republic and a long-standing IFC client. It is partially owned by the Netherlands-based HCBG Holding B.V. The loan will help increase access to finance for underserved SMEs in the rural areas of the Kyrgyz Republic with up to 25% of the proceeds earmarked for women-owned SMEs.

CONTACT
Sadie Sajjad
Tel: +44 20 75 92 85 38
E-mail: ssajjad@ifc.org

BRUSSELS
17, Avenue Marnix
2nd Floor
1000 Brussels, Belgium
Tel: +32 2 522 00 39

FRANKFURT
Bockenheimer Landstrasse 43
60325 Frankfurt am Main
Germany
Tel: +49 69 743 48230

PARIS
66, avenue d’Iéna
75116 Paris
France
Tel: +33 1 4069 3060

LONDON
1 Tudor Street
6th Floor
EC4Y 0AH London, UK
Tel: +44 207 592 8400

September 2023

Creating Markets, Creating Opportunities