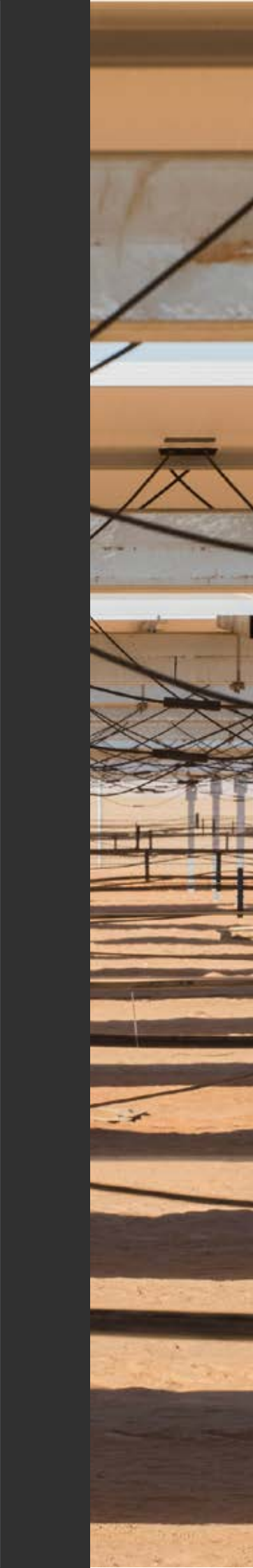




COUNTRY STORIES

Seven stories highlighting some of this year's most impactful work in countries across the globe.

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Adapting a ride-hailing platform to safely deliver COVID-19 necessities

The pandemic prompted several waves of shut downs and strict curfews in Sri Lanka, leaving just about everyone scrambling to find ways to safely receive food and other essentials.

PickMe, Sri Lanka's first ride-hailing smartphone app, responded to people's needs by transitioning virtually overnight into a logistics company specializing in the delivery of necessities. At any time of day, the company delivered everything from cooking gas cylinders to grocery packs. During the first wave of COVID-19 in Sri Lanka, it even set up an emergency hotline to assist medical staff who needed to get to hospitals. The company's business model and smart use of technology allowed it to quickly expand from serving not only Colombo, Sri Lanka's commercial capital, but several other regions across the country.

PickMe's ability to adapt went beyond meeting basic needs: it protected jobs during a time of economic uncertainty.

Roy Kevin Alosiyus worried about losing his job as a PickMe driver until he heard that he could work for the company in a new capacity. "Within a few days, I was informed by the head office that PickMe was looking for driver partners for the emergency delivery fleet to take essential goods to households," he said.

Whereas many workers have been impacted by COVID-19, women, particularly in emerging economies, have struggled to retain jobs while assuming greater caretaking responsibilities for children, the elderly, and sick family members. PickMe enabled Sri Lankan women to remain gainfully employed.

Since the beginning of the pandemic, PickMe's fleet of women drivers has doubled as more and more women seek opportunities to cover for lost or reduced wages because of COVID-19. Lasanda Deepthi, PickMe's first woman driver, depends on the income she earns to support her family. "Earning through PickMe is a huge deal, and I feel the difference," she said.

PickMe, founded in 2015, is the first start-up IFC has backed in Sri Lanka. A \$2.5 million IFC investment has helped the company expand and increase access to affordable and efficient transportation. In June 2020, IFC injected another \$2.4 million to support PickMe in adjusting their business operations during the pandemic.

New research suggests that women, both as riders and drivers, are critical to the future growth of ride-hailing platforms. The first-ever study on women's roles in Sri Lanka's ride-hailing industry concluded that annual revenues for ride-hailing in Sri Lanka could increase by more than 25 percent if gaps between men and women's ridership were closed. The 2020 study was conducted by IFC, PickMe, the Australian Department of Foreign Affairs and Trade, and Kantar Public.

"We realized the impact that safe transport has on women's empowerment and financial independence. Our company and our investments in technology enable women passengers to make safe trips while providing flexible and lucrative employment for women drivers," said Jiffry Zulfer, CEO of PickMe.



Leveraging tech to keep small retailers in business during a pandemic lockdown

Lockdowns and an increasing number of COVID-19 cases made it challenging for Nigeria’s small retailers and distributors to get essential supplies, despite high demand. Many store owners could not travel to the markets that provided their stock. To add to the complexity, many of the markets they relied on were closed.

TradeDepot, a Nigerian company founded to simplify and digitize micro retail distribution, used its digital solution to swiftly bridge the supply chain gap. The company partnered with the government of Lagos State to distribute essential products like food and detergent to designated markets during the nationwide lockdown. Instead of having to navigate a fragmented network of distributors and wholesalers, retailers and distributors were able to use their phones to connect directly to leading consumer goods companies through TradeDepot’s ShopTopUp platform.

“We played the role of an anchor, helping over 40,000 micro retailers to stay in business during the lockdown while ensuring that consumers have access to the goods they need,” said Onyekachi Izukanne, co-founder and CEO of TradeDepot.

Helping neighborhood stores stay in business is vital to the economic well-being of Nigeria’s urban and rural areas. About 90 percent of Nigeria’s retail sector is informal: micro- and small-scale retailers depend on the daily wages from this work.

For Blessing Chibueze, one of millions of women in Nigeria who run small retail businesses to help provide for their families, TradeDepot offered a lifeline. “They made it much easier for me to stock my store without leaving

my location,” she said. “They would supply me at least once a week, and sometimes two or three times in a week. There was no need for me to go to the market, and their prices are good.”

IFC and the Women Entrepreneurs Finance Initiative (We-Fi), which supports women entrepreneurs in emerging markets, have invested in TradeDepot. We-Fi financing is intended to help the company build stronger women-led small and medium enterprise retailer and distributor networks.

TradeDepot supplies tens of thousands of small-scale retailers in Ghana, Nigeria, and South Africa with hundreds of products. About 80 percent of the informal retailers on its platform are women. The company plans on expanding to about nine countries and 21 cities across Africa by 2023.

“We played the role of an anchor, helping over 40,000 micro retailers to stay in business during the lockdown while ensuring that consumers have access to the goods they need.”



Becoming a standard-setting bank for green finance

More than five years ago, Ukrgasbank, Ukraine's fourth-largest bank, embarked on an ambitious journey to differentiate itself from its competitors. This inward look aligned with the Ukrainian government's call for the privatization of state-owned banks, part of a larger reform strategy to accelerate economic growth and reduce the state's stake in the country's banking sector.

To sharpen its competitive edge, Ukrgasbank turned green.

"Green banking offered us a unique opportunity to be a pioneer in a market that was largely undeveloped, that lacked green finance expertise," said Andrii Kravets, Ukrgasbank's board chairman.

In 2016, IFC and Ukrgasbank partnered to develop the bank's forward-thinking climate strategy — an initial step in what would become a long-lasting partnership. Since then, IFC has provided a range of advisory services to help Ukrgasbank become Ukraine's first climate-finance bank.

IFC assisted Ukrgasbank in developing policies and procedures for green loans, identified target markets for green finance, and supported credit managers in project evaluation. This work was done as part of IFC's Sustainable Energy Finance Program in Ukraine, implemented in partnership with the Austrian Federal Ministry of Finance and the Netherlands Ministry of Economic Affairs and Climate Policy.

Under IFC's Global Trade Finance Program, Ukrgasbank has facilitated close to \$135 million of cross-border trade-finance transactions. IFC, in partnership with the Swiss State Secretariat for Economic Affairs, helped the bank increase its small and medium enterprise loan portfolio by two and a half times, establishing Ukrgasbank as one of Ukraine's leading banks serving that sector.

To further support Ukrgasbank's mission to finance green energy, IFC invested €30 million (approximately \$36 million), with an equity-conversion option, in Ukrgasbank in 2021. The loan's proceeds are being used to finance eligible sustainable energy projects in Ukraine. The financing aims to help Ukraine increase the share of green energy in the energy mix and to enhance end-use energy efficiency in different industries.

IFC's support is expected to facilitate Ukrgasbank's eventual privatization. This would be the first privatization of a large state-owned bank in Ukraine — and an example for future privatizations in the country's banking sector. For this reason, IFC has also been working with the bank to improve its corporate governance: strengthening its board functioning, introducing structured strategy-setting and oversight, improving decision-making processes, enhancing investor and stakeholder disclosures, introducing stronger controls and risk management to align the bank's practices with private sector standards, and integrating environmental and social risk governance into its risk management system.

Since 2016, Ukrgasbank has disbursed more than 650 loans for mid- to large-scale climate projects, providing \$1.2 billion in green loans. The projects that Ukrgasbank is financing are expected to prevent about 1.4 million tons of carbon dioxide emissions per year. After IFC began working with Ukrgasbank on its climate portfolio in 2015, a few other Ukrainian banks followed the trend and launched their own green programs.



Investing in an eco-friendly alternative to cotton and synthetic fibers

Whether used for making sweaters or hygiene products, wood-based textile fibers have the advantage of being biodegradable, with a lower greenhouse gas footprint than synthetic fibers. Their production, which uses dissolving wood pulp, requires less water than cotton, and because they do not shed microplastics into water, they can later be recycled.

IFC and IDB Invest co-led a \$1.1 billion financing package to LD Celulose S.A., a joint venture between Lenzing AG and Duratex S.A., to build one of the largest dissolving wood pulp plants in the world, in Minas Gerais State, Brazil. Finnvera, a Finnish export credit agency, and seven commercial banks participated in the financing.

The project supports the construction of a greenfield dissolving wood pulp plant with the capacity to produce 500,000 tons per annum, the installation of a 144-megawatt cogeneration plant, and the sustainable management of 70,000 hectares of eucalyptus plantations. The first batch of dissolving wood pulp is expected to be produced in the first quarter of 2022.

Brazil is among the most competitive pulp producing countries in the world. This transaction will strengthen the competitiveness of the pulp industry in Brazil through the construction of one of the most energy and cost-efficient mills in the world, with the plant feeding 40 percent of excess bioelectricity generated on site as green energy into the public grid. The project will also increase diversification within the pulp sector, as most of the existing production capacity in Brazil is directed toward paper grade pulp. This transaction will increase dissolving wood pulp production in the country, as there are currently only two dissolving wood pulp producers in operation and one other mill under construction.

At a time of high unemployment and low investment activity in Brazil, the project is one of the largest transactions in the country and in Latin America. LD Celulose will hire 8,000 workers during construction and 1,000 workers once operational. This will create a pipeline of robust investments that can accelerate the Brazilian economy's recovery from COVID-19.

The financing will increase sustainability standards for Brazil's pulp industry and the plantation forestry sectors through LD Celulose's adoption of IFC's Environmental and Social Performance Standards. IFC played a key role implementing measures to preserve water quality in the Araguari River, strengthening LD Celulose's social capabilities, and ensuring that adequate human resources policies and procedures are in place to mitigate risks associated with the influx of a large workforce during construction.

This landmark transaction has high recognition, winning several well-renowned awards, including "Loan of the Year: Latin America" and "Infrastructure Financing of the Year: Brazil" by *LatinFinance*.



Combating marine plastic pollution through IFC's first "blue loan"

Each year more than 8 million tons of plastic enters the world's oceans, threatening life under water and industries like tourism that depend on clean water for swimming and other recreational activities.

Marine pollution is a dangerous, rising trend — one that poses many risks. Polyethylene terephthalate (PET), whether used in plastic bottles, containers or otherwise, is the biggest contributor to marine littering and pollution. During the pandemic, littering has increased as one-time use plastic gear is being encouraged for public health safety.

The private sector can provide solutions to address marine plastic pollution. One important step is to scale up commercial recycling, allowing plastic bottles to be reused on land, not discarded into the sea.

IFC, the Asian Development Bank, and German development finance institution DEG together provided a \$300 million "blue loan" to Indorama Ventures Public Company Limited (IVL), a leading global manufacturer and recycler of PET resin. The loan will support Indorama in increasing its annual PET recycling capacity to 50 billion bottles by 2025 in Brazil, India, Indonesia, Philippines, and Thailand — the five countries most affected by marine pollution. After achieving its target, the project will reduce the company's carbon footprint equivalent to almost 3 million barrels of crude and 1.65 million tons of CO₂ emission avoidance each year.

"Our company, IVL, is building the recycling infrastructure needed to divert waste from the marine environment. By recycling post-consumer PET bottles into new bottles, we give waste an eco-

nommic value. This drives improvements in waste collection systems, meaning less waste and cleaner oceans," said Yashovardhan Lohia, Indorama's Chief Sustainability Officer.

A blue loan is an innovative instrument whereby the funds raised are certified and tracked exclusively for projects that support a blue economy, such as for the sustainable use of ocean resources for economic growth, improved livelihoods and jobs, and ocean ecosystem health. This marks IFC's first blue loan exclusively focused on addressing marine plastic pollution.

IFC's blue loan to Indorama complements our ongoing work on a circular economy for plastics and enhanced waste management in Asia. It demonstrates that recycling can be an effective intervention to address plastic waste — one that also supports sustainability.

80%

OF GLOBAL
PLASTIC WASTE
COMES FROM
ASIA.



Creating a win-win for all through longer-lasting produce

Perishable fruits and vegetables produced by farmers in developing countries often spoil, even before they can be harvested, sold, and consumed.

Frequently lacking access to modern cold storage technology, many farmers thus face limited income opportunities in a world where a third of all food is currently lost or wasted, despite growing global demand.

Apeel Sciences has a solution. The U.S.-based agricultural technology firm has developed an inexpensive, sprayed-on natural coating derived from plants that doubles the shelf life of produce, opening doors to new, higher-value markets. This gives farmers more time to find buyers, and helps them enter new, better-paying supply chains that were previously out of reach — selling food that would otherwise go to waste.

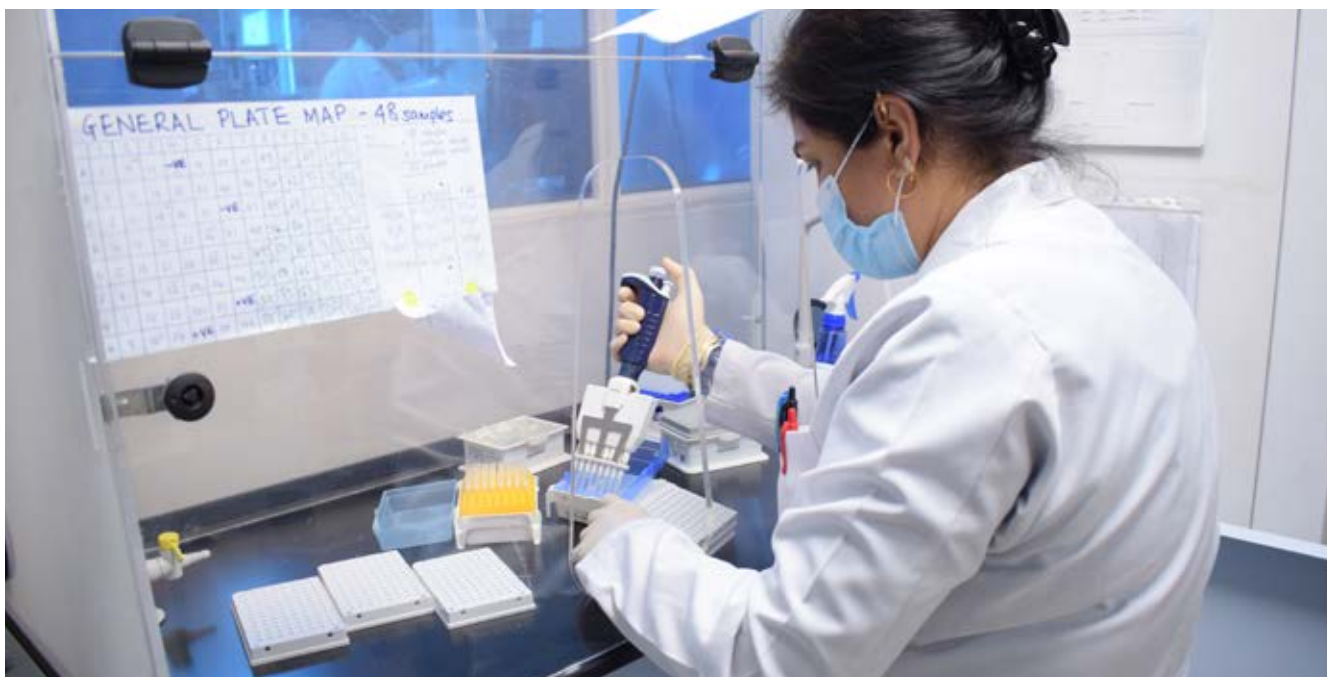
The World Bank Group estimates that agricultural production must expand by approximately 70 percent by 2050 to meet the food requirements of a planet with 10 billion people. This makes the time right for game-changing solutions like Apeel's natural coating product.

IFC is responding by combining investment and advice to help the firm address higher demand for food in an environmentally sustainable, socially inclusive way. This year, IFC took part in a \$30 million venture-capital investment round in Apeel to expand its produce-coating systems into more markets, including Latin America and Sub-Saharan Africa. IFC and two other investors took part in the second close of the Series D round, which totaled \$280 million.

Apeel is installing additional treatment equipment to coat citrus fruit and asparagus in Mexico, avocados and asparagus in Peru, and pineapples in Costa Rica. The company plans a global rollout in Chile, Kenya, South Africa, and Uganda, where cold storage facilities are limited. In addition to increasing farmer incomes, it also brings climate benefits: by reducing food losses, Apeel generates reduced or avoided greenhouse gas emissions from the longer agricultural storage of fresh fruits and vegetables.

In time, using Apeel's technology, local producers can enter global markets as their produce will stay intact until it reaches the end customer. Apeel-treated fruits and vegetables from other countries are already sold in leading grocery store chains in Europe and the U.S., a strong retail presence expected to grow in the coming years. Farmers of all sizes benefit from working with Apeel, which over time will help more and more smallholders access export markets.

"Apeel has huge potential to turn subsistence farmers in Africa into commercial farmers," Christina Owen of the Bill & Melinda Gates Foundation, which helped Apeel launch with a \$100,000 grant in 2012, told *Bloomberg Business Week*. "That means more money in pockets, and more food in bellies."



Ramping up disease testing in Africa

In most wealthy countries, getting a COVID-19 test is routine.

But in many parts of Africa, these diagnostics, one of the first lines of defense against the novel coronavirus, remain hard to come by. As of August 2021, the continent, home to 1.1 billion people, had conducted about 47 million COVID-19 tests; the United States alone administered nearly 10 times that figure. The paucity of tests has left patients in the lurch and public health officials trying to fight the pandemic blindfolded.

To help change that, IFC spearheaded a €15 million financing package earlier this year for Cerba Lancet Africa, which runs medical laboratories in 12 Sub-Saharan African states. The financing, mobilized in partnership with France's Proparco, will help Cerba Lancet Africa upgrade its labs in places like Ghana, Kenya and East Africa, Mozambique, Nigeria, and Rwanda, and branch out to new countries. That growth will provide many Africans with access to fast, accurate tests for COVID-19 and many other diseases for which access to testing has been a challenge.

"Access to diagnostics is a vital part of the COVID-19 response," said Stéphane Carré, CEO of Cerba Lancet Africa. "Accurate diagnostics is essential to providing patients with high-quality care and ensuring they receive the right treatment."

The tests are also expected to be an important source of data for public health officials, allowing them to better gauge the scale of the COVID-19 pandemic in Africa. Officially, 6.7 million Africans had contracted COVID-19 and the disease had killed 172,000 people as of August 2021. But researchers, including those at the United States' University of Washington, suspect the actual numbers are far higher.

Along with COVID-19 tests, Cerba Lancet Africa, which already serves 2.5 million patients a year, is expected to ramp up testing for non-communicable diseases. That is considered important in Sub-Saharan Africa where these types of ailments, which include cancer, diabetes and hypertension, accounted for more than 35 percent of all deaths in 2019.

"A lot of the people you see walking around have never had any kind of routine medical checkup," said Nontlantla Ngwenya, Chief Operating Officer at Cerba Lancet Africa.

"Our fundamental role at Cerba Lancet Africa is to close that gap by ensuring laboratory testing is accessible to a majority of people in the African continent. This will ensure patients are treated correctly and early."

The financing for Cerba Lancet Africa is part of a bigger push by IFC to help Africa improve medical care over the long term, considered crucial on a continent where many healthcare systems are fragile.

Since March 2020, IFC has provided more than \$777 million to private healthcare companies in Sub-Saharan Africa. Aside from diagnostic testing, IFC has helped to expand vaccine production, provide clinics with modern medical equipment, and foster innovation in the healthcare sector.

IFC's work underscores the importance of the private sector in improving healthcare in Africa, which is struggling with the fallout of COVID-19, said Olaf Schmidt, IFC's Manager for Real Estate, Hotel & Retail, Health & Education and Manufacturing Investments in Africa.

"By tapping into the expertise and financial strength of private companies, countries can dramatically improve the health and wellness of their people," he added.