

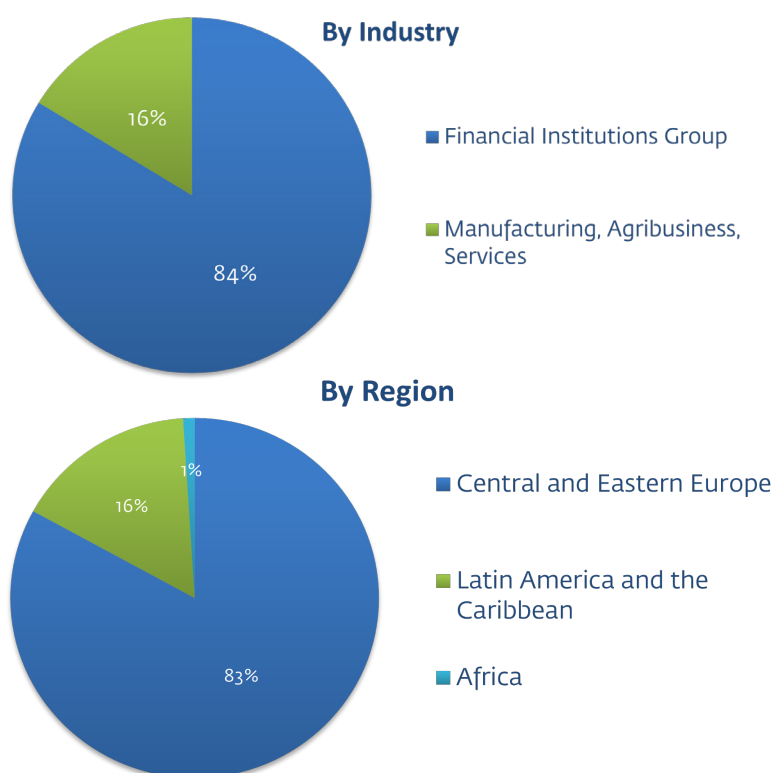
# IFC and Austria

## Partners in Private Sector Development

### 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 \$56 billion in investments from its own account and in mobilization from third parties to private companies and financial institutions in emerging markets in its fiscal year 2024 (FY24). IFC partners with multinationals and mid-sized firms that are interested in investing in emerging markets. As of June 2024, IFC had a long-term committed investment portfolio of close to \$1.1 billion with Austrian partners spread across several sectors and regions.

### IFC'S LONG-TERM INVESTMENT PORTFOLIO WITH AUSTRIAN SPONSORS



### MOBILIZATION

IFC has a strong relationship with Austrian financial institutions (FIs) and an active engagement with companies across multiple industry sectors. As of June 2024, Austrian FIs held \$470 million in IFC Syndicated Loans.



### Austrian Government's Support for IFC

Austria is a strong partner of IFC Advisory Services, especially in Europe and Central Asia (ECA). With the support of the Austrian Ministry of Finance, IFC has implemented successful projects to promote renewable energy generation and distribution, strengthen cleaner production, expand green finance and increase productivity in agribusiness. Austria has also supported programs aimed at improving the investment climate for private sector development. In FY19-24, Austria provided cumulative funding of close to \$26 million in support of IFC Advisory Services, most recently for the Europe Sustainable Upstream Infrastructure Platform.

### GLOBAL TRADE FINANCE PROGRAM (GTFP)

As of June 2024, IFC had issued 246 guarantees amounting to around \$1.1 billion for Austrian banks since the GTFP began in 2005. The most active confirming banks have been Erste Bank Group and Raiffeisenbank.

## EXAMPLES OF SUCCESSFUL COOPERATION

### voestalpine AG, Brazil, Poland and Romania

In September 2024, IFC invested €75 million as an anchor investor in the first green bond of Austria's voestalpine AG, a global producer of technologically advanced steel and metal-based products. The €500 million green bond is amongst Europe's first climate bonds to fund decarbonization in the hard-to-abate steel sector. The company has set targets to reduce Scope 1 and 2 GHG emissions by 30 percent (or 4 million tons of CO<sub>2</sub>e) and Scope 3 emissions by 25 percent by 2029 against a 2019 baseline. This will be mainly achieved by systematically rolling out electric arc furnaces while working on pilot projects for using clean hydrogen in steel production and carbon capture technologies in Brazil, Poland and Romania. IFC mobilized an additional €425 million from a wide range of institutional and retail investors to support the green bond.

### Europe Climate Finance Program

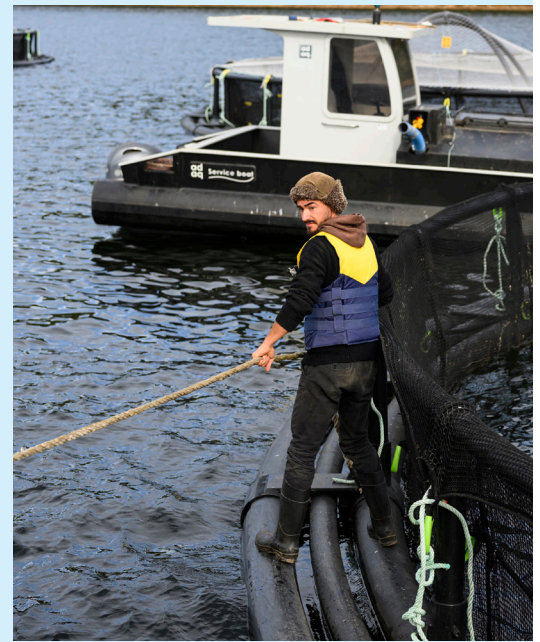
The Europe Climate Finance Program, funded by the Austrian Ministry of Finance and the Facility for Investment Climate Advisory Services (FIAS), aims to increase the flow of climate finance into private sector initiatives and programs across sectors, including transport, construction, manufacturing, energy, and residential and industrial buildings. The program will increase sustainable finance activity in the Europe region by supporting the creation of an enabling regulatory environment for climate finance, building financial sector knowledge and capacity to supply related products and services, increasing private sector knowledge and capacity relating to climate-smart solutions and investments, and facilitating private sector investments in the green transition.

### Europe Sustainable Upstream Infrastructure Platform

The Europe Sustainable Upstream Infrastructure Platform aims to develop a pipeline of bankable projects that can attract private investment and expertise into Ukraine, the Western Balkans and South Caucasus. Building on the previous Europe and Central Asia (ECA) Cities Platform and ECA Sustainable Upstream Infrastructure Platform funded by the Austrian Ministry of Finance, the Europe Sustainable Upstream Infrastructure Platform, jointly funded by the Austrian Ministry of Finance and the Swiss State Secretariat for Economic Affairs (SECO), covers all critical infrastructure sectors, including sustainable energy (renewable energy and its grid integration, energy storage, district heating and cooling), urban infrastructure, including water access and wastewater treatment, municipal solid waste, public transport, logistics and storage, and digital infrastructure.

### Erste Group, Romania

In May 2023, IFC invested €100 million in the €700 million green bonds issuance of Banca Comerciala Romana (BCR) to finance green mortgages, green buildings, and onshore wind farms. BCR's parent company is the Austrian-based Erste Group, one of the largest financial services providers in Central and Eastern Europe. The bonds meet the standards of MREL. This is BCR's first international bond issuance and the largest benchmark-size euro bond issued by a Romanian financial institution in the international market. By playing the role of anchor investor in the issuance, IFC is helping Romania to finance green and sustainable projects, while strengthening BCR's resilience.



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