

IFC and France

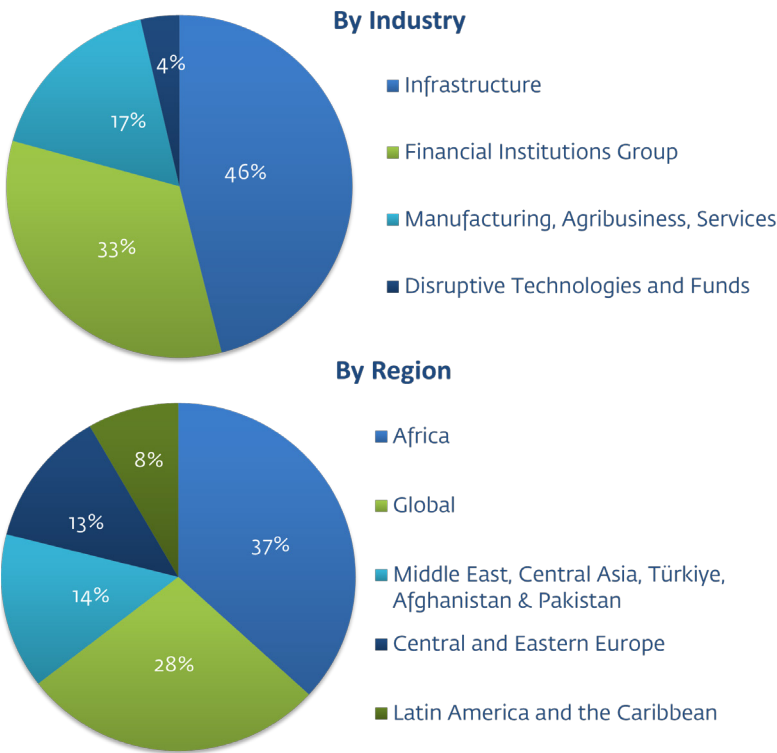
Partners in Private Sector Development



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. IFC is an active partner of established French multinationals and mid-sized firms that are interested in investing in developing countries. As of June 2024, IFC had a long-term committed investment portfolio of over \$5.1 billion with French partners spread across several sectors and regions.

IFC'S LONG-TERM INVESTMENT PORTFOLIO WITH FRENCH SPONSORS



MOBILIZATION

IFC has a strong relationship with French financial institutions. As of June 2024, Proparco, the French bilateral development finance institution, focused on private sector development, committed over \$1.7 billion in parallel loans, while private financial institutions held close to \$930 million in IFC Syndicated Loans.

Partnership with the French Government and Institutions

IFC maintains a strategic relationship with France through the French Treasury, the Ministry for Europe and Foreign Affairs, Proparco and the Agence Française de Développement (AFD). IFC, with the support of the French Treasury, serves as the Secretariat of the Alliance for Entrepreneurship in Africa, a partnership that supports a stronger private sector, entrepreneurship and the growth of small and medium-sized businesses across Africa. In July 2024, IFC and the French Treasury signed an agreement for France's allocation of a €150Mn sovereign unfunded guarantee to derisk IFC's operations for the resilience and reconstruction of the Ukrainian economy.

In April 2024, the World Bank Group (WBG) and AFD signed a Strategic Partnership Memorandum of Understanding, reaffirming a shared vision that sustainable and inclusive growth is necessary to reduce poverty, tackle inequality of opportunity, and address the drivers of conflict and fragility. In December 2023, IFC and Proparco signed a \$200 million trade finance risk-sharing agreement under the Alliance to strengthen food security in several African countries.

GLOBAL TRADE FINANCE PROGRAM (GTFP)

As of June 2024, IFC had issued over 2,300 guarantees amounting to over \$3.3 billion for French banks since the Global Trade Finance Program began in 2005. The most active confirming banks have been BNP Paribas, Crédit Agricole and Société Générale.

EXAMPLES OF SUCCESSFUL COOPERATION

Improving Telecom Services in Ukraine

In October 2024, IFC, jointly with the EBRD and with support from the European Commission and the Government of France, announced a \$435 million investment to modernize, expand, and improve telecom service quality in Ukraine. The landmark project will support two leading Ukrainian telecom companies, lifecell LLC and Datagroup-Volia, who merged to form a new group, Datagroup-Volia-lifecell, in enhancing network resilience and improving digital connectivity across Ukraine. NJJ, a French telecom investment holding company, leads the new group in partnership with Horizon Capital, a leading private equity firm in Emerging Europe. IFC's investment will help deliver improved mobile connectivity to 10 million subscribers and provide faster and more reliable fixed broadband access to 4 million homes, strengthening digital connectivity and network resilience in Ukraine.

Expanding the Production of Renewable Energy Globally

In 2024, IFC committed a landmark green and sustainability-linked loan of €500 million to ENGIE S.A., the parent holding company of the French ENGIE Group. It is co-financed with the Asian Infrastructure Investment Bank and Proparco. In addition, IFC is mobilizing capital from seven private credit insurers, making this IFC's largest ever credit insurance mobilization for a single client. The financing aims to bolster ENGIE's efforts to expand its portfolio in emerging markets, as well as to enhance energy security in South Africa.

Financing Sustainable Energy in Poland

In April 2024, IFC and BNPP Poland, a member of the French banking group BNP Paribas, announced a Synthetic Significant Risk Transfer transaction, in which IFC will take mezzanine exposure to a close to \$55 million equivalent in the balance sheet credit portfolio of BNPP Poland. This will assist the bank in generating new local currency-denominated sustainable finance loans in Poland. IFC's investment helps increase sustainable finance for energy, water efficiency, and transportation in Poland.

Supporting Romania's Banking Sector

In April 2024, IFC and BRD, one of Romania's major banks and a subsidiary of the French banking group Société Générale, closed a landmark Synthetic Significant Risk Transfer transaction, providing a risk guarantee for an up-to-€700 million BRD portfolio of SME and corporate loans. The capital freed up by the transaction will enable the bank to lend up to €315 million to fund impactful initiatives and women-owned smaller businesses. IFC's investment helps boost the financing of sustainability-related projects in Romania, catalyzing the country's energy transition and boosting financial inclusion.

Building Senegal's Digital Infrastructure

In January 2024, IFC invested the equivalent of €38 million in local currency as part of the €114 million local currency issuance of two bonds by a securitization vehicle of Sonatel, a leading mobile network operator in West Africa. Sonatel is partially owned by Orange, a French multinational telecommunications company. This was the first securitization in West Africa's telecoms sector. Following that, in May 2024, IFC committed a €87 million local currency sustainability-linked facility for Sonatel, focused on women and digital inclusion. Both transactions support Sonatel's expansion of 4G coverage and fiber connectivity in rural parts of Senegal, increase bandwidth, improve digital infrastructure, and support job creation.

Strengthening the Cocoa Sector in Côte d'Ivoire

In October 2023, IFC committed a €100 million syndicated term loan to Sucden to finance the procurement and export of cocoa beans from Côte d'Ivoire. Headquartered in France, Sucden is a commodity broker of soft commodities and other financial products. It is the parent company of Sucden Côte d'Ivoire. The project is supported by the Global Agriculture and Food Security Program (GAESP) and IDA20 Private Sector Window Blended Finance Facility. IFC's investment will enhance the livelihoods of numerous smallholder farmers in Côte d'Ivoire who supply cocoa beans to Sucden while also strengthening the sustainability of the country's cocoa sector.



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