

IFC and Germany

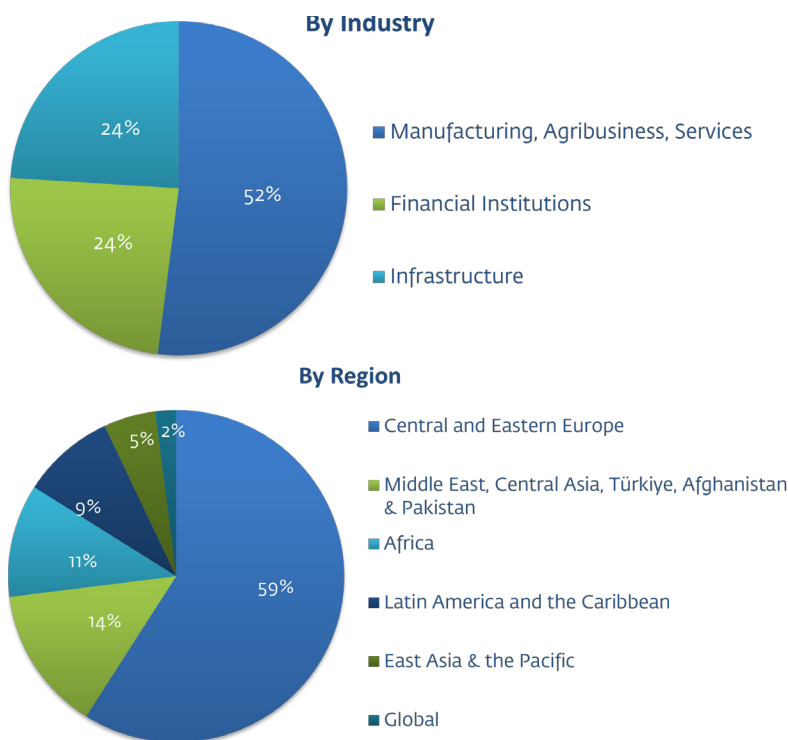
Partners in Private Sector Development



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 German 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 \$1.7 billion with German partners spread across several sectors and regions.

IFC'S LONG-TERM INVESTMENT PORTFOLIO WITH GERMAN SPONSORS



MOBILIZATION

IFC has a strong relationship with German financial institutions and an active engagement with companies across multiple industry sectors. As of June 2024, German financial institutions held over \$1.1 billion in IFC Syndicated Loans.

Partnership with the German Government

Germany's development institutions are important partners for IFC. KfW Bankengruppe (KfW), which includes Deutsche Investitions- und Entwicklungsgesellschaft (DEG), acts as a long-term co-lender in a variety of industry sectors, including agri-finance, microfinance and sustainable energy. In fiscal years 2019-24, Germany provided cumulative funding of close to \$169 million to support IFC Advisory Services. This included support by the Ministry for Economic Cooperation and Development (BMZ) for food systems in Africa, PPP advisory services and capital markets, as well as support by the Ministry for Economic Affairs and Climate Action (BMWK) for green finance.

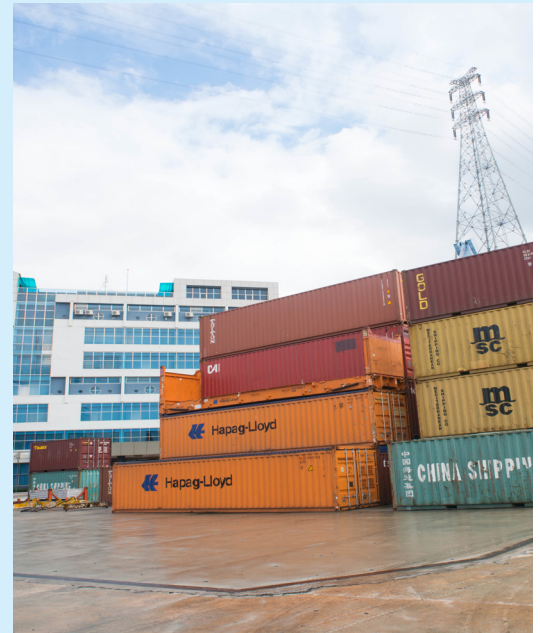
GLOBAL TRADE FINANCE PROGRAM (GTFP)

As of June 2024, IFC issued 5800 guarantees amounting to over \$13 billion for German banks since the Program began in 2005. The most active confirming banks have been Commerzbank and Deutsche Bank.

EXAMPLES OF SUCCESSFUL COOPERATION

Developing Sustainable Logistics in Egypt

In December 2023, IFC committed a \$120 million senior loan as part of the \$455 million financing package with the European Bank for Reconstruction and Development, the Asian Infrastructure Investment Bank, DEG, and Proparco to Damietta Alliance Container Terminals to design, develop, operate, and maintain the Damietta Port container terminal on the Mediterranean Sea coast in Egypt under a 30-year concession. Damietta Alliance Container Terminals is jointly owned by Hapag-Lloyd AG and Eurogate, respectively a German shipping line company and a German container terminal operator, and Contship Italia Group, an Italian container terminal operator. As part of the project, the company will develop its environmental and social management systems in line with international best practices. IFC's investment will enhance access to and the quality of port services in Egypt, improving connections to local and international markets and strengthening Egypt's role as a global hub for logistics and trade.



Strengthening Global Supply Chains

In December 2023, IFC committed a \$50 million supply chain finance facility for Hugo Boss's suppliers in Vietnam, Bangladesh, and other emerging markets under IFC's Global Trade Supplier Finance. This program provides short-term financing to suppliers selling to global or domestic corporates by purchasing and discounting invoices accepted for payment by pre-approved participating buyers. IFC's investment will enable emerging markets suppliers of Hugo Boss to access financing at a lower cost based on Hugo Boss's credit rating, optimizing their working capital, and improving business efficiency.

Bolstering the Banking Sector in Poland

In October 2023, IFC and EOS Group, a leading technology-driven investor in receivables portfolios and part of the German retail, e-commerce, financing, logistics and mail order company Otto Group, established a €275 million facility focusing on the acquisition and resolution of non-performing loans of retail clients, small and medium enterprises and real estate-owned assets held by financial institutions in Poland. The facility is part of IFC's Distressed Asset Recovery Program, which focuses on the acquisition and resolution of distressed assets across emerging markets. IFC's investment will help financial institutions resolve their non-performing loans, freeing up capital for new lending, thus allowing individuals and businesses to restore their creditworthiness, as well as bolstering Poland's banking sector.

Supporting the Tourism Sector in Türkiye

In March 2023 and March 2024, IFC committed a loan aggregating €212.5 million in 2 tranches to Fraport TAV Antalya Yatırım Yapım ve İşletme A.Ş. for financing the upfront lease payment and capital expenditure program of Antalya Airport, Türkiye's main leisure-oriented airport, and to support the development of the Turkish tourism sector. The project is co-sponsored by Fraport AG, one of the leading companies in airport management and development based in Germany. This is IFC's first investment in the airport sector in Türkiye. IFC financing will support the upgrade of Antalya Airport to enhance the country's competitiveness as a global tourism destination while helping to manage the project's carbon footprint in line with the Paris Agreement. IFC will also support Fraport TAV Antalya in utilizing renewable energy generated on-site and constructing energy-efficient terminals. The newly expanded terminal buildings are expected to achieve energy savings of at least 24%, qualifying them for a Leadership in Energy and Environmental Design Gold certification.

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