IFC and Israel
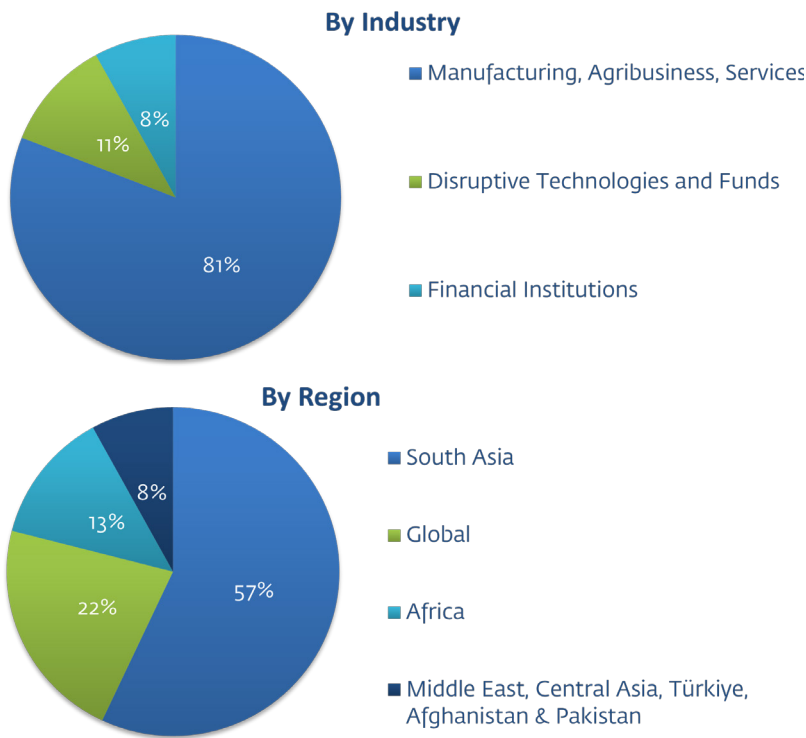
Partners in Private Sector Development

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 partners with Israeli companies interested in investing in emerging markets. As of June 2024, IFC had a long-term committed investment portfolio of $36 million with Israeli partners spread across several sectors and regions.

IFC'S LONG-TERM INVESTMENT PORTFOLIO WITH ISRAELI SPONSORS

By Industry

- 81% ■ Manufacturing, Agribusiness, Services
- 11%
- 8%
- ■ Disruptive Technologies and Funds
- ■ Financial Institutions

By Region

- 57% ■ South Asia
- 22% ■ Global
- 13% ■ Africa
- 8% ■ Middle East, Central Asia, Türkiye, Afghanistan & Pakistan

Partnerships with Israel and Civil Society

IFC has a longstanding relationship with Israel's Ministry of Finance and the Ministry of Economy and Industry.

Israel's Ministry of Economy and Industry contributed close to $2 million to IFC's TechEmerge Health Program in India, Brazil and East Africa between fiscal years 2016 and 2021. The goal of the TechEmerge Health program is to drive innovation to improve healthcare delivery and patient outcomes in emerging markets.

IFC works closely with the Foreign Trade Administration at the Israeli Ministry of Economy & Industry on the organization of business development events. Since fiscal year 2019, IFC has also been collaborating with Start-Up Nation Central, an Israeli nonprofit in the innovation space, to explore business opportunities for Israeli start-ups in emerging markets.

GLOBAL TRADE FINANCE PROGRAM (GTFP)

As of June 2024, IFC had issued 47 guarantees amounting to $60 million for Israeli banks under IFC's Global Trade Finance Program since the program's launch in 2005. The most active confirming banks have been Mizrahi Tefahot Bank Ltd and Bank Leumi.

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EXAMPLES OF SUCCESSFUL COOPERATION

Strengthening Food Security in Nigeria

In June 2022, IFC committed a $4.5 million loan to Bar Magen, the leading premixed animal feed manufacturer and feed additives distributor in Israel. The financing will allow the company to expand the production of livestock feed additives in Nigeria and to build the country's first salt and mineral block licks production facility, thereby improving smallholder farmer access to these critical animal feed nutrients. IFC's investment will help strengthen sustainable food systems in Nigeria and will significantly contribute to food security and nutrition. The loan will increase access to quality and affordable animal feed additives for farmers, promoting market competitiveness and contributing to job creation.

Helping Farmers Increase Yields While Conserving Water

In August 2021, IFC committed a $20 million long-term loan in local currency to Netafim Irrigation India to support the company's working capital needs. Netafim, the parent company of Netafim Irrigation India, is a global leader in irrigation technology and is based in Israel. IFC's investment promoted the wider adoption of micro irrigation systems in India, generating better yields for local farmers and strengthening their resilience to climate shocks. In addition, it encouraged farmers to reduce water and fertilizer usage, contributing to more sustainable and water-efficient agriculture in India.

In fiscal year 2020, IFC committed a $69 million debt package for Netafim to support its expansion in China, Türkiye, and Africa. The package consists of $42 million from IFC's own account, $13 million in B loans and $14 million from IFC's Managed Co-Lending Portfolio Program. IFC's investment helped expand access to drip irrigation across several African countries, as well as China and Türkiye, contributing to sustainable crop production for smallholder farmers, boosting their incomes and resilience to shocks. The project benefitted local markets by involving local distribution companies and creating employment.

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