

IFC and Switzerland

Partners in Private Sector Development

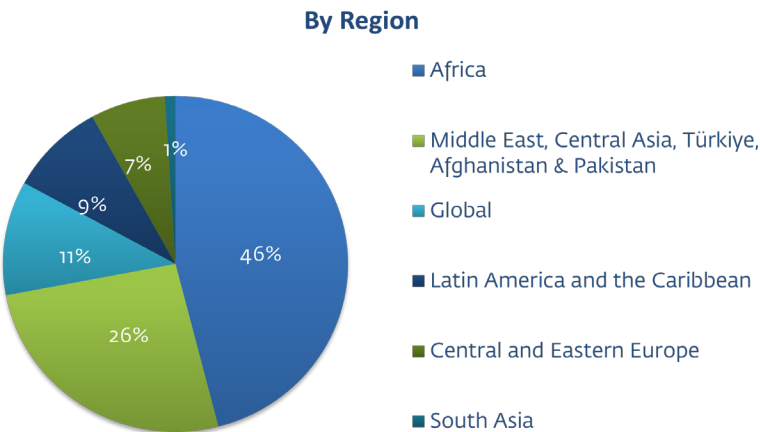
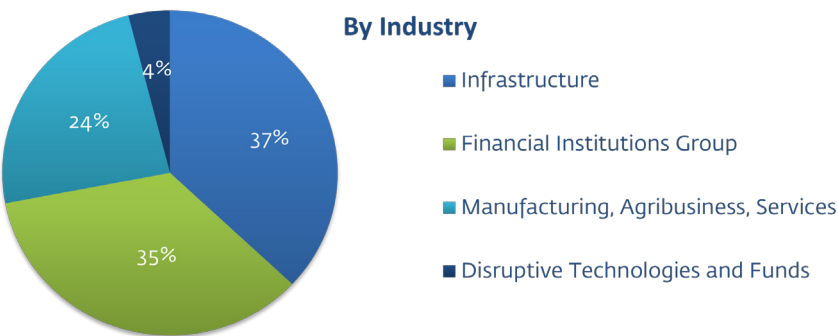


OVERVIEW

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 Swiss 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 \$906 million with Swiss partners spread across several sectors and regions.

Switzerland is a key development partner for IFC and one of the largest supporters of IFC advisory services.

IFC'S LONG-TERM INVESTMENT PORTFOLIO WITH SWISS SPONSORS



Partnership with the Swiss Government

Switzerland is one of the largest development partners for IFC, mainly through the State Secretariat for Economic Affairs SECO. In fiscal years 2019-24, Switzerland provided cumulative funding of about \$182 million for advisory services and blended concessional finance.

Since 2014, SIFEM, the Swiss Development Finance Institution, has been a signatory of IFC's Master Cooperation Agreement, which streamlines lending procedures for joint investments to ease financing to private companies in emerging markets. Since then, SIFEM has co-invested in several projects alongside IFC, and adopted the Operating Principles for Impact Management in 2019.

MOBILIZATION

IFC has a strong relationship with Swiss financial institutions and an active engagement with companies across multiple industry sectors. As of June 2024, Swiss financial institutions held \$213 million in IFC Syndicated Loans.

GLOBAL TRADE FINANCE PROGRAM (GTFP)

As of June 2024, IFC had issued 889 guarantees amounting to over \$2 billion for Swiss banks since the Global Trade Finance Program began in 2005. The most active confirming banks have been Credit Suisse and UBS.

EXAMPLES OF SUCCESSFUL COOPERATION

Supporting Agriculture in Ukraine

The first blended finance collaboration between IFC and Switzerland, which builds on their partnership in financial inclusion and access to finance for agricultural businesses, helped provide \$10 million to support Ukraine's small-scale farmers, who have been vital in safeguarding food security, as part of IFC's \$2 billion Economic Resilience Action program.

Improving Small Farmers' Access to Insurance in Kenya

In January 2024, IFC committed \$5 million in equity to Pula with support from the Global Agriculture and Food Security Program, a multilateral financing platform. Pula is based in both Kenya and Switzerland and is an agricultural insurance and technology company that designs and delivers innovative agricultural insurance and digital products for smallholder farmers in emerging markets. This investment is part of Pula's Series B funding round led by BlueOrchard, a leading global impact investment manager. IFC's investment will help improve access to agricultural insurance for smallholder farmers, contributing to greater food security in Africa.

Developing Frameworks for Secure Financial Transactions

The Global Financial Infrastructure program, supported by SECO, has been focused on developing legal and regulatory frameworks for secure transactions, credit information and insolvency and their associated electronic systems. The program, which covers the period from 2022–2028, builds on the results achieved during a previous partnership between IFC and Switzerland in 2016–2021, which added 40.8 million individuals and firms to credit bureau coverage and enabled nearly 1.4 million small and medium-sized enterprises to access credit.

Supporting Trade in Africa

In June 2023, IFC committed \$20 million through a risk participation agreement in a \$60 million trade finance facility arranged by BIC-BRED, a Swiss bank owned by the French cooperative bank BRED, for Agro Companies International SA, a family-owned trading group based in Switzerland and the leading supplier of wheat to several countries in West and Central Africa. The facility will help the group purchase wheat, corn and animal feed from international suppliers and distribute these products to West and Central African buyers. IFC's investment will help strengthen food security in Africa, fill part of the trade finance gap and help limit disruptions in the food commodity supply chain.

Building Sustainable Infrastructure in Emerging Markets

The Sustainable Cities Program supports sustainable infrastructure solutions in select cities in the Middle East, Eastern Europe, Sub-Saharan Africa, and Latin America. It will help close the financing gap for urban infrastructure and help increase access to infrastructure services for citizens. As a result, select cities will strengthen their competitiveness through job creation, economic growth, and enhanced efficiency, and improve the sustainability of urban infrastructure.

Seed Funding for Emerging Market Startups

In 2022, IFC committed \$4.5 million to Seedstars International Ventures II, a global seed fund targeting nascent venture capital markets. Part of Switzerland-based Seedstars Group, the fund will invest in 100 pre-seed and seed-stage companies over three years, backed by the IDA19 IFC-MIGA Private Sector Window. IFC's investment supports emerging market startups in underserved ecosystems, including Cameroon, Uzbekistan, Bangladesh, and Cambodia, boosting access to finance, developing local ecosystems, and advancing gender equality in investee companies.



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