**OVERVIEW**

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with over 2,000 businesses worldwide, IFC’s long-term investments in developing countries reached $22 billion in fiscal year (FY) 2020. IFC is an active partner of German companies interested in investing in emerging markets. Of IFC’s long-term committed portfolio of close to $1.7 billion with German partners, 44% is in manufacturing, agribusiness and services, 30% in infrastructure, 24% in financial markets and the remaining 2% in disruptive technologies and funds. Investments are spread across regions, namely 46% in Europe and Central Asia, 18% in East Asia and the Pacific, and 14% in Latin America and the Caribbean and Sub-Saharan Africa respectively.

**PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION**

Germany’s development institutions, KfW Bankengruppe (KfW), which includes DEG, are important partners and act as long-term co-lenders in a variety of industry sectors, including agri-finance, microfinance and sustainable energy. In May 2020, IFC and DEG signed a Joint Collaboration Framework Agreement (JCFA) to create markets, mobilize private sector investment, and support economic recovery in developing countries in the wake of the COVID-19 global crisis. As of June 2020, Germany provided cumulative funding of over $82 million to support IFC Advisory Services, including over $25 million in FY20 for the PPP Advisory Fund for Infrastructure Investments in Developing Countries, and the Kakuma Kalobeyi Challenge Fund, among others. In December 2017, KfW contributed $12 million for IFC’s Support Program for the G20 Compact with Africa Initiative, which aims to unlock sustainable, inclusive private sector investment opportunities in Africa.

**IFC’s Long-Term Investment Portfolio with German Sponsors**

As of FY20 (ending in June 2020), IFC’s long-term investment portfolio with German sponsors amounted to $1.7 billion. German private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

- **Mobilization:** IFC has a strong relationship with German financial institutions (FIs) and an active engagement with companies across multiple industry sectors. As of June 2020, German FIs held over $1 billion in IFC Syndicated Loans.

- **Global Trade Finance Program (GTFP):** As of June 2020, IFC issued over 4800 guarantees amounting to $9 billion for German banks since the GTFP began in 2005. The most active confirming banks have been Deutsche Bank, Commerzbank, BHF and LBBW.
**Examples of Successful Cooperation**

**K+S, Uganda**
In September 2019, IFC committed an A loan of $11 million to Grainpulse Limited, a Ugandan company specialized in coffee and grain supply chain management, human and animal nutrition and local fertilizer blending. Grainpulse is a subsidiary of Germany-based K+S AG, one of the world’s leading suppliers of fertilizers and salt products. IFC’s investment will support the company’s ongoing $18 million investment program, which includes the expansion and completion of a maize mill, animal feed mill and a grain storage facility. The project will help to improve access to markets for local smallholder farmers and increase the supply and delivery of quality crop-specific fertilizer in Uganda, improving competitiveness in the country's fertilizer sector by changing the market structure through demonstration and replication effects, capacity building and skill development. The associated IFC advisory services program will help strengthen the upstream agricultural supply chain in Uganda by expanding capacity building programs for local SME and farmer suppliers.

**Metro, Myanmar**
In December 2018, IFC committed an A loan of about $20 million in local currency to Metro Wholesale Myanmar Limited (MWML), a subsidiary of the leading German cash & carry food retail group Metro AG. The investment is intended for the construction of a central warehouse at the Thilawa Special Economic Zone near Yangon and cross-docking platforms across the country, which will create a reliable source of demand for local SMEs suppliers across the country, improve the local distribution and logistics infrastructure and introduce higher standards and efficient delivery practices for MWML’s clients. The project is also expected to create around 300 jobs at MWML as well as indirect jobs in the services industry, and positively impact the local agriculture sector by promoting modern farming practices through MWML’s suppliers. Finally, MWML has been the first company in the country to be awarded with IFC’s EDGE certification for its warehouse in Yangon.

**Schwarz Group, Europe and Central Asia**
In September 2017, IFC committed an A loan of up to €180 million to partially finance Kaufland’s investments in Romania, Bulgaria, and Moldova. Kaufland is part of the Schwarz Group, a German privately-held company. The group, a repeat IFC client, is involved in food retail through two brands: Lidl and Kaufland. IFC’s investment will help promote access to affordable and high-quality food products for low to middle-income households and support Kaufland to become a green building EDGE certified supermarket chain in Romania and other countries. In addition, the project is expected to generate significant direct and indirect employment throughout the supply chain and temporary employment during the construction phases of the project. In addition to this project, IFC has two outstanding investments with the Schwarz Group.

**BMW, South Africa**
In June 2017, IFC announced an agreement to support BMW South Africa, a wholly-owned subsidiary of Germany’s BMW Group, to build local capacity through a $150 million rand-equivalent loan. IFC’s financing is part of a ZAR 6 billion investment in BMW’s plant in Rosslyn. The partnership between IFC and BMW will support the transfer of technology and workforce skills from global auto manufacturers to local suppliers, while further investment will help to make domestic companies more productive and capable of paying higher wages and contributing more through taxes.

**Fraport, Greece, Peru & Russia**
In March 2017, IFC committed loans of €154 million to Fraport Greece for the privatization, upgrade, maintenance, management and operation of 14 Greek regional airports. IFC has a long-standing partnership with Fraport, a company that operates the Frankfurt Airport and several other airports around the world. The project will increase the capacity, improve the efficiency of operations and services of these airports, and support the growth of Greece’s economy by facilitating regional tourism and enhancing openness and competitiveness. In the past, IFC cooperated with Fraport in Peru, with Lima’s Jorge Chavez International Airport (J CIA), Peru’s international airport, and in Russia, on the expansion, development and maintenance of the Pulkovo Airport in St. Petersburg, the fourth largest airport in the Russian Federation.

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