

IFC and Switzerland

Partners in Private Sector Development



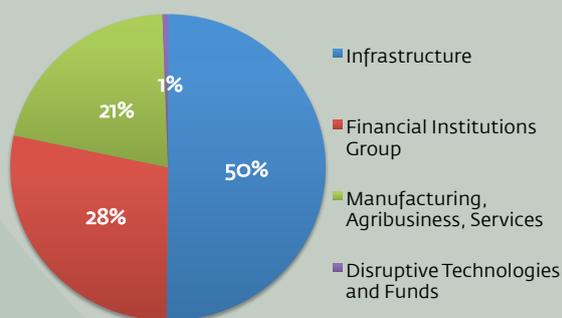
OVERVIEW

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working 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 Swiss multinationals and mid-sized firms that are interested in investing in emerging markets. Of IFC's long-term committed portfolio of over \$1.3 billion with Swiss partners, 50% is in infrastructure, 28% in the financial sector, 21% in manufacturing, agribusiness and services, and the remaining 1% in disruptive technologies and funds. The largest regional exposure of IFC's long-term investments is at the global level at 27%, followed by 22% in Latin America and the Caribbean and Sub-Saharan Africa each, 17% in the Middle East and North Africa, 7% in Europe and Central Asia and 5% in East Asia and the Pacific.

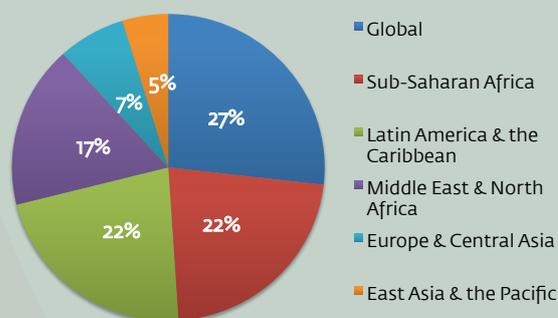
IFC's Long-Term Investment Portfolio with Swiss Sponsors

As of FY20 (ending June 2020), IFC's long-term investment portfolio with Swiss sponsors amounted to \$1.3 billion. Swiss private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

IFC Long-Term Investment Portfolio as of June 2020 by Industry with Swiss Sponsors (\$1.3 billion)



IFC Long-Term Investment Portfolio as of June 2020 by Region with Swiss Sponsors (\$1.3 billion)



IFC Committed Exposure by Sector as of June 2020 (Dollar Amounts in Millions)

Banking	326
Transport	281
Energy	274
Agribusiness & Forestry	228
Telecom, Media and Technology (TMT)	120
Tourism, Retail & Property	53
Insurance	35
Microfinance	19
Funds (Collective Investment Vehicles)	8
Health, Education & Life Sciences	3
Total	1345

- **Mobilization:** IFC has a strong relationship with Swiss financial institutions (FIs) and an active engagement across multiple sectors. As of June 2020, Swiss FIs held over \$320 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP):** As of June 2020, IFC issued 770 guarantees amounting to \$1.6 billion for Swiss banks since the GTFP began in 2005. The major confirming banks have been UBS, Credit Suisse, and Zurcher Kantonalbank.

PARTNERSHIP WITH THE GOVERNMENT & DEVELOPMENT FINANCE INSTITUTION

Switzerland is one of the largest donors to IFC Advisory Services, mainly through Switzerland's State Secretariat for Economic Affairs SECO. As of June 2020, Switzerland provided cumulative funding of about \$543 million for IFC Advisory Services, including \$22 million contributed in FY20. 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.



Examples of initiatives supported by Switzerland include:

- The Sustainable Cities Program supports the implementation and financing of sustainable infrastructure solutions in select cities in the Middle East, Eastern Europe, Sub Saharan Africa and Latin America. The program will help close the financing gap for urban infrastructure and make a direct contribution to increasing access to infrastructure services to citizens while improving the quality and/or efficiency of urban services. As a result, select cities will not only strengthen their competitiveness through job creation and economic growth and enhanced operational efficiency, but also improve the environmental sustainability of urban infrastructure.
- The Ukraine Crop Receipts Project supported the introduction of crop warehouse receipts as a new financial instrument for farmer finance, improving access to pre-season financing based on the pledge of future crops. As of June 2020, the project facilitated \$1.2 billion in financing to over 4,000 MSME farmers from 239 creditors.
- Belgrade Waste-to-Energy is a Public Private Partnership (PPP) that enabled the city of Belgrade, in Serbia, to close the largest open dumpsite in Europe, construct a sanitary landfill, eliminate groundwater pollution sources and build a waste-to-energy plant. IFC, with support from SECO and other partners, advised on the regulatory framework, designed a bankable and viable PPP transaction structure, and assist the city in conducting an international competitive tender, which attracted top-tier operators in the sector.

Examples of Successful Cooperation

ICMC, Kosovo

In December 2019, IFC committed €4 million to KEP Trust's micro and small enterprises (MSMEs) lending program, comprising a €2 million loan for IFC's own account and a €2 million loan from the Global Agriculture and Food Security Program (GAFSP). One of the founders of Kep Trust is ICMC, a Swiss international organization with programs in over 40 countries. KEP Trust is a leading microfinance institution in Kosovo. The investment is an addition to an original loan of up to €2 million committed in April 2018 to support the expansion of KEP Trust's lending program to MSMEs, including small farms and agricultural processing companies, in Kosovo. IFC's investment is expected to increase access to finance for individual entrepreneurs and MSMEs operating in semi-urban and rural areas, including in the agricultural sector, which will lead to farm productivity enhancements and improved food security.



ReponsAbility, Asia and Sub-Saharan Africa

In June 2019, IFC committed \$45 million to Access to Clean Power Fund (ACPF), a fund managed by the Swiss asset manager responsAbility Investments and dedicated to financing renewable energy and energy efficiency solutions in the distributed generation space in Asia and Sub-Saharan Africa. ACPF will extend debt financing to companies that specialize in household-level or commercial and industrial energy solutions in these regions, where currently an estimated 1.3 billion people lack access to grid-based electricity. ACPF will become the largest fund globally in the distributed generation space, focusing on Sub-Saharan Africa (primarily) and Asia, with IFC as an anchor investor. The project will provide financing for distributed generation producers and suppliers, helping to enable access to affordable and clean energy for underserved segments of the population and small businesses. ACPF is envisioned to demonstrate to the wider investor community that the distributed generation segment is investable and on the right trajectory for fully commercial sustainability, especially with SMEs.

responsAbility

CONTACT

Jan van Bilsen
Country Manager
For Switzerland
Tel: +49 69 74 34 82 50
E-mail: jvanbilsen@ifc.org

FRANKFURT

Bockenheimer Landstrasse 43
60325 Frankfurt am Main
Germany
Tel: +49 69 743 48230

LONDON

12th Floor Millbank Tower
21-24 Millbank SW1P4QP
London, UK
Tel: +44 207 592 8400

BRUSSELS

17, Avenue Marnix
2nd Floor
1000 Brussels, Belgium
Tel: +32 2 522 00 39

PARIS

66, avenue d'Iéna
75116 Paris
France
Tel: +33 1 4069 3060