

IFC and Switzerland

Partners in Private Sector Development



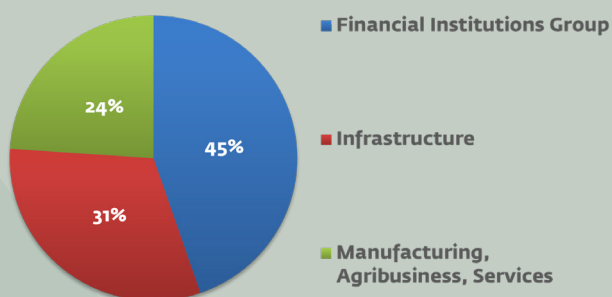
OVERVIEW

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 \$32.8 billion in own-account investments and mobilization from third parties to private companies and financial institutions in developing countries in fiscal year 2022 (FY22)*. IFC partners with multinationals and mid-sized firms that are interested in investing in emerging markets. As of June 2022, IFC had a long-term committed investment portfolio of over \$1.2 billion with Swiss partners spread across several sectors and regions.

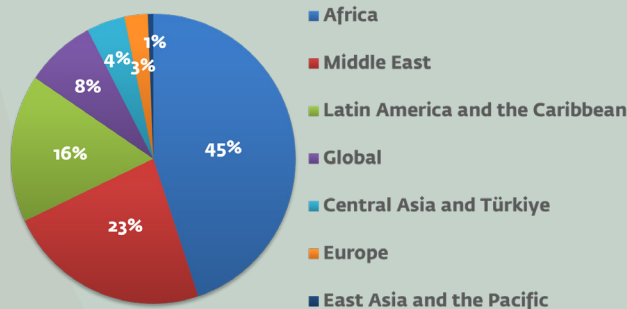
IFC's Long-Term Investment Portfolio with Swiss Sponsors

As of FY22, IFC's long-term investment portfolio with Swiss sponsors amounted to over \$1.2 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 2022 by Industry with Swiss Sponsors (\$1.2 billion)



IFC Long-Term Investment Portfolio as of June 2022 by Region with Swiss Sponsors (\$1.2 billion)



IFC Committed Exposure by Sector as of June 2022 (Dollar Amounts in Millions)

Banking	242
Power	194
Agribusiness & Forestry	150
Trade Finance	120
Non-banking Finance Institutions	101
Manufacturing	100
Transport	97
Telecom, Media and Technology	90
Microfinance	48
Tourism, Retail & Property	24
Funds	23
Other Manufacturing, Agribusiness and Services sector	16
Health, Education & Life Sciences	5
Private Equity Funds	5
Total	1,212

- **Mobilization:** IFC has a strong relationship with Swiss financial institutions (FIs) and an active engagement across multiple sectors. As of June 2022, Swiss FIs held \$192 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP):** As of June 2022, IFC issued 827 guarantees amounting to close to \$2 billion for Swiss banks since the GTFP began in 2005. The most active confirming bank has been Credit Suisse.

*The World Bank Group fiscal year runs from July 1 to June 30 of the following calendar year.

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. In FY18-22, Switzerland provided cumulative funding of close to \$136 million for IFC Advisory Services. 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:

- SECO will provide \$20 million to IFC over the next six years to support the development of legal and regulatory frameworks for secure transactions, credit information and insolvency and their associated electronic systems. This Global Financial Infrastructure Program 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 SMEs to access credit secured by movable property.
- The Sustainable Cities Program supports 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 help increase access to infrastructure services for citizens. As a result, select cities will strengthen their competitiveness through job creation and economic growth and enhanced operational efficiency, and improve the environmental sustainability of urban infrastructure.
- 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 assisted the city in conducting an international competitive tender, which attracted top-tier operators in the sector.



Examples of Successful Cooperation

Seedstars, Global



In June 2022, IFC committed a \$4.5 million equity investment in Seedstars International Ventures II, a global seed fund focused on the most nascent venture capital markets. It is part of Seedstars Group, headquartered in Switzerland. The investment will help Seedstars support scalable innovative technology companies in emerging markets. The Fund, which aims to invest in 100 pre-seed and seed-stage companies over the next three years, will be supported by the Blended Finance Facility of the IDA19 IFC-MIGA Private Sector Window (IDA PSW). IFC's investment will help reach the most underserved start-up ecosystems in markets including Cameroon, Uzbekistan, Bangladesh and Cambodia. It will also increase access to finance for tech startups in emerging markets and help develop local startup ecosystems, while improving gender equality in investee companies.

Agro Companies, Africa



In June 2022, 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.

Nespresso, Africa



In May 2022, IFC committed a CHF 4 million (\$4.1 million) loan through the not-for-profit Nespresso Sustainability Innovation Fund to help Nespresso finance climate-smart agriculture practices and better supply chain traceability in coffee-producing countries in Africa. Nespresso is an autonomous subsidiary of the Nestlé Group, a Swiss multinational food and beverage company. IFC's investment will support coffee farmers as they transition to regenerative agriculture, which reduces carbon emissions, promotes nature-based solutions, and improves livelihoods of smallholders, and promote sustainable coffee production practices in Africa. IFC will also provide training to around 3,100 African coffee farmers on sustainable crop production, improving business skills, and supporting women farmers. The program will start in Uganda and Zimbabwe, with the opportunity to expand to other countries in Africa.

MSC, Global



In June 2021, IFC committed a \$37.5 million senior loan for its own account and a \$37.5 million syndicated loan to Medlog, the logistics arm of the Mediterranean Shipping Company (MSC), the world's second largest shipping company domiciled in Switzerland. The loan will help Medlog expand its logistics operations globally with a focus on Africa. The project is expected to result in improved cargo handling capacity of the logistics infrastructure in emerging markets via targeted investments in additional trucks, rail, warehouses, depots, and equipment. IFC's investment will help increase integration and efficiency of logistics networks, reduce logistics costs, and accelerate the adoption of new technologies in the logistics sector across emerging markets, significantly supporting regional economic development.

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Creating Markets, Creating Opportunities