

# IFC and the United Kingdom

## Partners in Private Sector Development



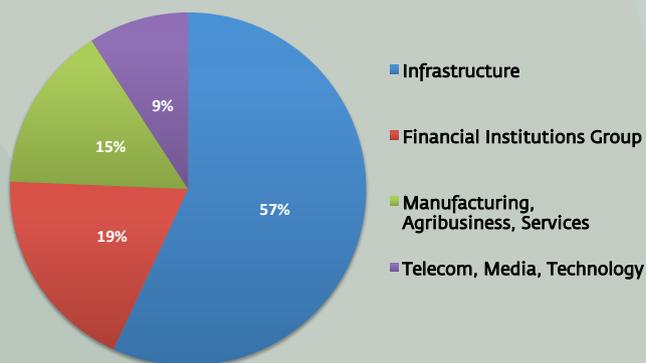
### OVERVIEW

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 exceeded \$23 billion in fiscal year (FY) 2018. Of IFC's long-term committed portfolio of \$2.6 billion with UK partners, 57% is in infrastructure, 19% in finance, 15% in manufacturing, agribusiness and services, and the remaining 9% is in telecom, media, and technology. Most investments are in Sub-Saharan Africa (40%) and East Asia and the Pacific (17%). IFC has a long-standing partnership with the Department for International Development (DfID), which has historically been the largest donor to IFC Advisory Services.

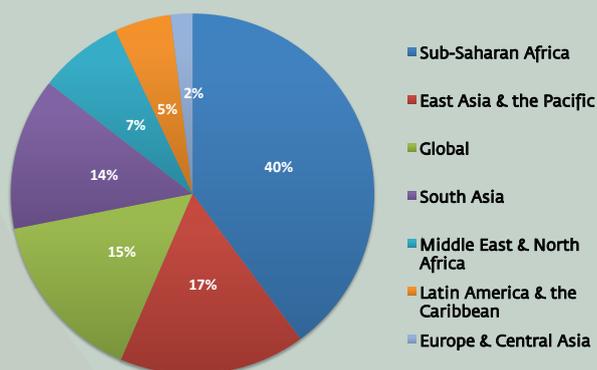
### IFC's Long-Term Investment Portfolio with British Sponsors

As of FY18 (ending in June 2018), IFC's long-term investment portfolio with British sponsors amounted to \$2.6 billion. British private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

IFC Long-term Investment Portfolio as of June 2018  
by Industry with British Sponsors (\$2.6 billion)



IFC Long-term Investment Portfolio as of June 2018  
by Region with British Sponsors (\$2.6 billion)



- **Mobilization:** IFC has a strong relationship with British financial institutions (FIs) and an active engagement across multiple sectors. As of June 2018, British FIs held over \$730 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP):** As of June 2018, IFC issued close to 3,000 guarantees amounting to close \$6 billion for British banks since the GTFP began in 2005. The most active confirming banks have been Standard Chartered Bank, Zenith Bank (UK) Limited, and Access UK.

## PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION

Currently, DfID is the largest donor to IFC Advisory Services, contributing almost \$575 million as of June 2018, supporting its initiatives in Sub-Saharan Africa and Asia, as well as thematic focus areas such as peace and security, and climate change. From its founding in 1956, IFC has worked closely with CDC Capital Partners, PLC - the DfID-owned investment company - which focuses on private sector development in emerging markets. IFC and CDC co-invested in several equity funds.



### Examples of Successful Cooperation

Global Tea & Commodities Ltd

#### Global Tea, Malawi

In June 2018, IFC and the Global Agriculture and Food Security Program (GAFSP) committed a \$4 million loan to support the expansion of Global Tea and its subsidiaries. Global Tea is an agribusiness group founded in the United Kingdom in 1992, that operates macadamia and coffee plantations in Malawi and tea packing factories in Kenya. Global Tea will use IFC's financing to expand its operations in Malawi by planting more macadamia trees and coffee plantations and developing a program to support smallholder farmers. IFC's investment will contribute to the development of agribusiness industries in Kenya and Malawi, and create up to 900 jobs for farmers who supply to the group. In addition, the project will support climate-smart agricultural practices, thereby boosting the sustainable production of commodities.

#### Actis, India

In December 2017, IFC committed an investment package that includes an A loan of up to INR 3,015 million (about \$50 million) and the mobilization of up to INR 6,030 million (about \$100 million) from other lenders, for the construction and operation of a solar power plant within the Rewa Ultra Mega Solar Park in Madhya Pradesh, India. The project will be developed by Arinsun Clean Energy Private Limited, a subsidiary of SPPL, a company instituted under Actis Energy Fund 4. Actis is a leading emerging market focused private equity investor based in the UK. IFC's investment will help increase clean energy production, reduce GHG emissions, and create employment opportunities during its construction and operation. IFC was appointed as the lead transaction advisor by the Government of Madhya Pradesh for the Rewa Solar project. IFC's role includes advising on a robust project structure, recommending solutions for key issues, and designing a transparent auction process to help select private entities to develop the units in the Rewa Solar project.



#### Hikma Pharmaceuticals, Global

In December 2017, IFC committed an A loan of \$150 million to support the general corporate purposes of Hikma Pharmaceuticals PLC - a generic pharmaceutical company incorporated in the United Kingdom and listed on the London Stock Exchange - in the MENA region, or in other emerging markets. IFC's investment will help to provide high-quality and affordable pharmaceutical products, and support high-quality manufacturing in these markets. In addition, the project will generate direct employment for skilled labor.

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#### Vitol, Ghana

In December 2016, IFC committed a \$300 million loan to Vitol Ghana, as part of a \$1.35 billion debt financing package, to support the Sankofa Gas project. The project is an integrated offshore oil and natural gas project that will provide a source of reliable, affordable energy in the West African country. The World Bank also provided a \$700 million guarantee to the project and MIGA, the political risk insurance and credit enhancement arm of the World Bank Group, a \$216 million guarantee for the commercial lenders. IFC's investment will help the Ghanaian energy sector to transition from more expensive and higher-emission liquid fuels to gas, a cleaner and cheaper alternative. The project is expected to provide gas to fire up to one third of Ghana's installed power generation capacity, helping Ghana meet its growing energy needs.



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