

# IFC and Spain

## Partners in Private Sector Development

### OVERVIEW

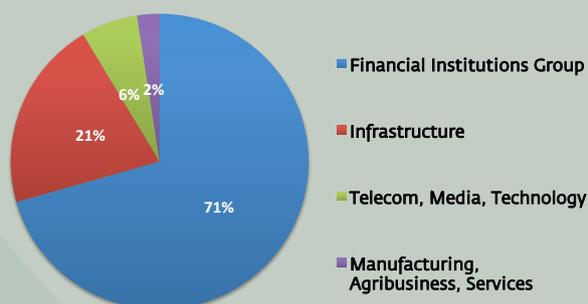
IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with over 2,000 businesses worldwide, IFC's long-term investments in developing countries exceeded \$23 billion in fiscal year (FY) 2018. Spain is one of IFC's top investment partners, particularly in Latin America. Of IFC's long-term committed investment portfolio of \$2.1 billion with Spanish investors, 71% is in the finance sector, followed by infrastructure at 21%, telecom, media and technology at 6%, and manufacturing, agribusiness and services at 2%. The largest regional exposure of IFC's long-term investments is in Latin America & the Caribbean at 50%, 32% in Europe and Central Asia and 11% in Sub-Saharan Africa.



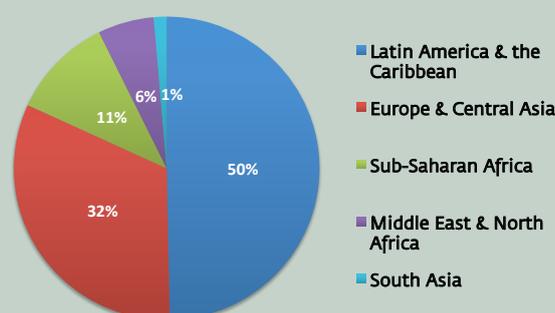
### IFC's Long-Term Investment Portfolio with Spanish Sponsors

As of FY18 (ending June 2018), IFC's long-term investment portfolio with Spanish sponsors amounted to \$2.1 billion. Spanish 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 Spanish Sponsors (\$2.1 billion)



IFC Long-term Investment Portfolio as of June 2018 by Region with Spanish Sponsors (\$2.1 billion)



IFC Long-Term Investment Portfolio as of June 2018 (Dollar Amounts in Millions)

Banking	1 078
Power	440
Leasing	178
Trade Finance	145
Microfinance	109
Telecom	93
Funds (Collective Investment Vehicles)	39
Health, Education & Life sciences	34
Agribusiness & Forestry	17
Transport	5
<b>Total</b>	<b>2 139</b>

- Mobilization:** IFC has a strong relationship with Spanish financial institutions (FIs) and an active engagement across multiple sectors. As of June 2018, Spanish FIs held over \$920 million in IFC Syndicated Loans.
- Global Trade Finance Program (GTFP):** As of June 2018, IFC issued over 1 600 guarantees amounting to over \$2.7 billion for Spanish banks since the GTFP began in 2005. The most active confirming banks have been CaixaBank and Banco Santander, followed by Banco Sabadell and BBVA.

### PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION

The Directorate for International Finance, under the Ministry of Economy and Competitiveness (MOE), is IFC's main counterpart. IFC works closely with the MOE, the Ministry of Industry, Energy and Tourism, COFIDES (the Spanish Development Finance Institution), ICO (the State's Financial Agency under the MOE), and ICEX (the Spanish Institute for Foreign Trade under the MOE).

COFIDES and ICO signed IFC's Master Cooperation Agreement, in 2013 and 2014 respectively, to streamline lending procedures for joint investments that provide much-needed financing to private companies and boost growth and jobs in emerging markets.

## Examples of Successful Cooperation



### BBVA, Turkey

In May 2018, IFC invested \$75 million in the first private sector gender bond in emerging markets dedicated to financing enterprises and companies owned or managed by women. The bond was issued by Turkey's Garanti Bank, of which BBVA is a majority shareholder. The investment is in partnership with the Women Entrepreneurs Opportunity Facility (WEOF), launched by IFC through its Banking on Women Program, and Goldman Sachs' 10,000 Women initiative. The collaboration is part of IFC's strategy in Turkey to boost financial inclusion, especially for women entrepreneurs. IFC's investment will support women-owned small businesses, and is expected to triple the number of loans to these clients over the next five years.



### Santander, Brazil

In December 2017, IFC committed a \$200 million trade line to Santander Brazil under IFC's Global Trade Finance Program (GTFP). This project is the largest GTFP line in the LAC region and one of the largest globally. IFC's investment will help Santander Brazil diversify and increase its sources of funding for import/export financing transactions. In addition, IFC committed a one-year senior loan of up to \$150 million. The project will support Santander Brazil's financing of its trade and working capital local portfolios, with a special focus on SMEs. It will contribute to reducing the SME lending gap by lending through a financial intermediary with a broad reach in the country.



### Mediterrania Capital Partners, North & West Africa

In November 2017, IFC committed an equity investment of up to €15 million in the Mediterrania Capital Partners III Fund, a 10-year closed-end fund, that will invest in mid-market companies in North and West Africa. Mediterrania Capital Partners (MCP) is an independent fund manager based in Barcelona. IFC's investment will help to improve access to finance to long-term equity capital for SMEs and mid-market companies in North and West Africa. In addition, MCP has a proven record of supporting corporate governance and Environmental, Social and Governance practices in their investee companies.



### Acciona, Egypt

In October 2017, IFC committed an investment package of up to \$47 million and mobilized up to \$113 million in syndications to three projects with Acciona, a world leader in the field of renewable energy, with headquarters in Spain, as part of the Feed-in Tariff (FiT) scheme for domestic solar photovoltaic (PV) projects in Egypt. With a total capacity of 192 MW, the three PV plants will be located in the Benban complex in the Aswan region of Egypt. The projects are a joint venture between Acciona and Swicrop, a private equity firm in the Middle East. IFC's investment will contribute to Egypt's energy security and generate employment and economic growth in the region. In addition, these projects will help to mitigate the impacts of climate change by providing clean electricity.



### Alten, Mexico

In August 2017, IFC committed up to \$45 million in senior loans to finance the construction and commissioning of Solem I and Solem II in Mexico, two photovoltaic solar energy power plants with a combined capacity of 350 MWp, that will connect with the Mexican national network. Solem I and Solem II are sponsored by Alten Energías Renovables, a Spanish independent power producer (IPP) with expertise in developing, financing and operating photovoltaic solar power plants. IFC's investment will help to diversify the power generation mix in Mexico, and generate employment throughout the construction and operation of the plants. In addition, the projects will help to mitigate the effects of climate change, and will contribute to Mexico's goal of having 35% of the country's energy generated from clean sources by 2024.



### GB Foods SA, Sub-Saharan Africa

In May 2017, IFC committed an equity co-investment of up to \$15 million to Helios Investment Partners, a private investment firm based in London, Lagos and Nairobi, to support the formation of one of Africa's largest Fast Moving Consumer Goods (FMCG) businesses through a joint venture with GB Foods S.A, a leading Spanish international group in the food industry. The project will result in a leading pan-African culinary products business with a presence in over 30 African countries. IFC's investment will contribute to developments across the value chain by modernizing manufacturing and logistics services through increased processing activities. The project will also help to increase employment across the region and promote south-south investment as the proposed integration of brands and assets will form a unique business, encouraging other local and multinational FMCG players to pursue investment opportunities across Sub-Saharan Africa.

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