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. The Netherlands has a long-standing partnership with IFC, supporting both investment and advisory services in emerging markets. Of IFC’s long-term committed portfolio of $740 million with Dutch partners, 61% is in finance, 33% in manufacturing, agribusiness and services, and the remaining 6% in disruptive technology and funds. Thirty-three percent of investments are in Sub-Saharan Africa, followed by East Asia and the Pacific at 31%, the Middle East and North Africa at 27%, South Asia at 5%, Latin America and the Caribbean at 3% and the remaining 1% in Europe and Central Asia.

IFC’s Long-Term Investment Portfolio with Dutch Sponsors

As of FY20 (ending in June 2020), IFC’s long-term investment portfolio with Dutch sponsors amounted to $740 million. Dutch private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

- **Mobilization**: IFC has a strong relationship with Dutch financial institutions (FIs) and an active engagement across multiple sectors. As of June 2020, Dutch FIs held close to $1.5 billion in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFFP)**: As of June 2020, IFC issued close to 1500 guarantees amounting to $1.7 billion for Dutch banks since the program began in 2005. The most active confirming banks have been Rabobank, ABN AMRO and ING.
As of June 2020, the Netherlands committed $695 million to support IFC Advisory Services and Blended Finance and Mobilization, including $74 million in FY20. The Netherlands is one of the few partners that contributes to both IFC’s advisory services and IFC’s blended finance facilities, such as the Global SME Finance Facility or the Private Sector Window of the Global Agribusiness and Food Security Program, among others. It has been an early supporter of IFC’s Conflict Affected States of Africa Program (CASA); and devoted funding to invest in IFC’s Global Trade Liquidity Program to promote trade flows to emerging markets. In FY19, the Netherlands facilitated the Prospects partnership between the World Bank Group, ILO, UNICEF and UNHCR to address the situation of forcibly displaced persons and their host communities in the Middle East and the Horn of Africa. The Netherlands Development Finance Company (FMO), the country’s international development bank, is active both in syndications and co-investments with IFC, having supported IFC’s microfinance projects and the Public Private Partnership Transaction Advisory.

Examples of Successful Cooperation

**Royal Swinkels Family Brewers, Ethiopia**

In December 2019, IFC announced a syndicated loan facility of up to €50 million, co-funded with FMO, Rabobank and ING, to Habesha, one of the leading brewers in Ethiopia and a subsidiary of Royal Swinkels Family Brewers, the second largest brewery company in the Netherlands and one of the largest malt producers in Europe. The loan will help Habesha expand its operations in Ethiopia and increase local barley sourcing from smallholder farmers. IFC’s investment will increase local production of malt in Ethiopia, boosting income for 15,000 smallholder barley farmers, increasing their integration in the supply chain and creating 500 direct jobs. In addition, an associated IFC advisory services program will support farmers’ access to improved seed varieties and other agricultural inputs, boost farm yields and provide best agronomic and business management practices to build the capacities of barley producers.

**Royal Vopak, Pakistan**

In October 2019, IFC committed the first tranche ($10 million) of a $40 million A loan to Engro Vopak Terminal Ltd. (EVTL), a subsidiary of Royal Vopak N.V., a Dutch multinational company operating in storage and handling of oil products, liquid chemicals, gases, bio fuels and vegetable oils. EVTL owns and operates the largest terminal and storage facility for bulk liquid chemicals and Liquefied Petroleum Gas (LPG) in Pakistan. The loan will fund EVTL’s storage and handling capacities, the renovation of its terminal and the installation of solar panels, helping address LPG deficits and prevent shortages. IFC’s investment will support Pakistan’s transition towards cleaner fuels by increasing access to a reliable supply of LPG, which is more energy efficient and generates less GHG emissions, for rural households and automotive sector consumers. In addition, the project will provide business opportunities for SMEs operating in LPG distribution and promote systemic improvements in the existing LPG market in Pakistan.

**TerraPay, Africa**

In September 2019, IFC committed an equity investment of $4.65 million to TerraPay, a Netherlands-based, Africa-focused B2B remittance processing service for pre-funded small-value international money transfers. The investment will help TerraPay scale its operations across Africa and serve as a hub enabling low-cost real-time cross-border transactions between money transfer and mobile money operators. The project will help remove a barrier for transfers to mobile money accounts, enabling instant payments across interoperable networks and allowing recipients to access a wide range of financial and non-financial services through their mobile wallets. In addition, by lowering processing transaction costs for service providers, TerraPay will help improve service quality and reduce the costs of remittances in Africa.