

# IFC and the Netherlands

Partners in Private Sector Development



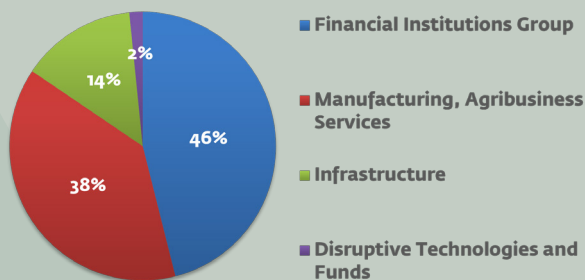
## OVERVIEW

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 Dutch 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 \$1.3 billion with Dutch partners spread across several sectors and regions.

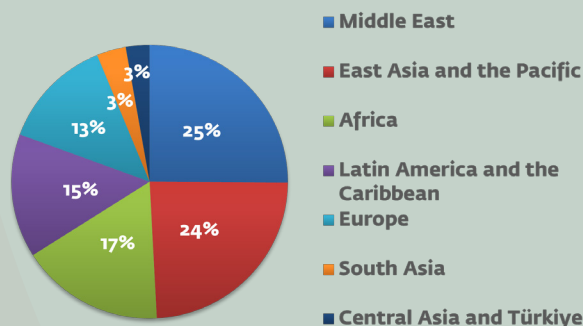
## IFC's Long-Term Investment Portfolio with Dutch Sponsors

As of FY22, IFC's long-term investment portfolio with Dutch sponsors amounted to \$1.3 billion. Dutch 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 Dutch Sponsors (\$1.3 billion)



IFC Long-Term Investment Portfolio as of June 2022 by Region with Dutch Sponsors (\$1.3 billion)



IFC Long-Term Investment Portfolio as of June 2022 (Dollar Amounts in Millions)

Banking	447
Agribusiness & Forestry	308
Tourism, Retail & Property	177
Oil & Gas and Mining	163
Distressed Assets	50
Trade Finance	42
Funds	36
Microfinance	28
Health, Education & Life Sciences	23
Power	22
Sector Funds and Non-Private Equity Funds	18
Fintech	6
Private Equity Funds	3
Other Disruptive Technologies and Funds Sector	1
Other Financial Institutions Group Sector	1
<b>Total</b>	<b>1,324</b>

- Mobilization:** IFC has a strong relationship with Dutch financial institutions (FIs) and an active engagement across multiple sectors. As of June 2022, Dutch FIs held \$1.4 billion in IFC Syndicated Loans. FMO, the country's entrepreneurial development bank, is the third largest IFC syndications partner globally.
- Global Trade Finance Program (GTFP):** As of June 2022, IFC issued close to 1500 guarantees amounting to \$1.7 billion in favor of Dutch confirming banks since the program began in 2005. The most active confirming banks have been Rabobank, ABN AMRO and ING.

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

## PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION

The Netherlands is amongst IFC's largest donors, with over \$214 million contribution in the last four years. The Netherlands is one of the few partners that contributes to both IFC's advisory services and IFC's blended finance facilities. The Netherlands supports IFC's advisory services across many important themes (fragility, forced displacement and migration, investment climate, public-private partnerships, climate change, SME financing, agriculture and food security, jobs and education, cleaner textiles, index insurance) and IFC's priority regions (Africa and the Middle East).



The Netherlands facilitated and funds the Prospects Partnership between the World Bank, IFC, 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 also supports the Compact with Africa Initiative. The blended finance facilities supported by the Netherlands include the Global SME Financing Facility, the Private Sector Window of the Global Agribusiness and Food Security Program, the MENA Private Sector Development Facility, and the Prospects Partnership. The Netherlands was one of the few partners who supported the Global Trade Liquidity Program of IFC during the global financial crisis.

The Netherlands Development Finance Company (FMO), the country's entrepreneurial development bank, is the third largest IFC syndications partner globally with an active committed exposure of \$847 million, mainly through B-Loans. In 2009, FMO was one of the first three signatories to the Master Cooperation Agreement and is the only DFI eligible to participate in IFC's B-loan program. Almost 57% of IFC and FMO's syndicated portfolio is concentrated in Sub-Saharan Africa. Recent co-investments include a \$20 million B-loan to I&M Bank Ltd. to help small businesses in Kenya access financing and weather the effects of COVID-19, and a \$75 million B-loan to FirstRand Bank Limited to enable financial and advisory support to energy-efficient and water-smart projects in South Africa.

### Examples of Successful Cooperation

#### ING, Thailand



In March and May 2022, IFC subscribed a \$100 million green bond dedicated to financing purchases of electric vehicles; and a \$50 million blue bond, both issued by TTB, the sixth largest bank in Thailand. ING, a multinational banking and financial services corporation based in the Netherlands, is TTB's largest shareholder. This is the first blue bond issued by a commercial bank in Thailand. IFC will help TTB with the structuring of the blue bond and assist in developing its blue finance strategy and framework. The investment will increase access to financing for climate-smart solutions and blue economy projects in Thailand, supporting the country's sustainable development and helping address its key climate challenges.

#### Arise, Tanzania



In April 2022, IFC invested \$10 million in local currency in Tanzania's first gender bond, the Jasiri Bond, issued by NMB Bank Plc., the largest bank in Tanzania. One of the shareholders of NMB Bank is Arise B.V., a financial holding company co-founded by Rabobank, FMO and Norfund. Through the bond, NMB will extend affordable financing for women-owned or women-controlled enterprises. IFC's investment will help boost access to finance for women-owned micro, small and medium-sized enterprises, creating jobs and enhancing sustainable economic growth in Tanzania. This follows a \$90 million IFC loan to NMB Bank, committed in June 2021 under the COVID-19 Working Capital Solutions program.

#### Mercon, Central America



In April 2021, IFC committed \$55 million as part of a \$500 million regional syndicated credit facility, structured and managed by Rabobank, to strengthen Mercon's operations in the Central American region. Headquartered in the Netherlands, Mercon Coffee Group is a vertically integrated global green coffee supplier and is among the top 10 coffee suppliers in the world. This investment will focus on supporting the coffee value chain in Nicaragua and includes up to \$15 million from the IFC-backed Global Food Agriculture and Security Program (GAFSP). It will support producers within the coffee value chain, particularly in Nicaragua, Honduras, and Guatemala, improve the productivity of the coffee sector, promote the sustainability of its businesses, and protect jobs in rural areas, driving the recovery and growth of the region. In addition, IFC will advise Mercon on increasing the productivity and quality of Robusta's supply chain in Nicaragua, and support financial education and training for small producers.

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