

IFC Infrastructure & Natural Resources Overview

\$28 billion+

Invested since 2007

\$25 billion+

Mobilized since 2007

\$8.3 billion committed in FY16

including core IFC + MIGA mobilization

Our Impact

In 2015 our client companies:

- Provided electricity for **98 million** people
- Shipped **9 million** TEU of cargo
- Transported **15 million** airport passengers
- Provided clean water for **22 million** people
- Employed **243,000** of workers
- Provided natural gas to **51 million** people
- Contributed **\$7 billion** in government revenues



Our Approach

- IFC is working to **improve access to energy, transportation, and municipal infrastructure** through investments and **advisory engagements** that open markets, spur growth, and create jobs.
- We offer solutions for **infrastructure and natural resource development**, drawing on country knowledge, established relationships, regulatory and sector expertise, and a quality track record of leading pioneering projects in developing countries, including in **low-income and fragile states**.
- As part of the World Bank Group, we **advise governments** and **support sector reforms that can translate into private investment** for priority projects and sectors. We also help **remove bottlenecks** to origination and provide early-stage support for high-impact, complex transactions.
- We offer a **range of financing and risk products** tailored to meet project needs, including loans, equity, quasi-equity, currency swaps, and local currency products, alongside World Bank and MIGA guarantees and insurance.
- We **mobilize funding** through IFC's syndications programs and work with IFC's Asset Management Company to engage with **institutional investors**. Our new MCPP Infrastructure program allows large insurers to co-invest with us on a portfolio basis across core infrastructure sectors.
- IFC has **more than 300 staff** dedicated to infrastructure and natural resources, including specialists in PPPs, transaction structuring, risk management, engineering, procurement, and environmental, social, and governance standards.

Financing Gaps

- Through 2030, the world needs to spend **\$3.3 trillion** a year on infrastructure to maintain a projected annual GDP growth rate of approximately 3%. Of this amount, **\$1.9 trillion** per year is needed in emerging markets, with the balance in the developed world. (McKinsey 2016)
- Developing countries currently spend **\$1 trillion** a year on infrastructure, 80% of which comes from the public sector. (IFC data)
- The infrastructure investment gap in emerging markets through 2030 is approx \$14 trillion—or about **\$900 billion per year**. (McKinsey 2016)
- From 2008–2013, annual global spending on infrastructure averaged **3.6% of GDP**. China led emerging markets at 8.8% of GDP, followed by India (5.2%), Eastern Europe (4.2%), other emerging Asia (3.6%), Africa (3.2%) and Latin America (2.6%). (McKinsey 2016)

Development Needs

- Some **1.2 billion people** worldwide live without access to electricity and many more experience regular power interruptions. Nearly **3 billion people** worldwide use biomass fuel for cooking and heating, causing health risks. (IEA)
- Water scarcity affects 40% of the global population and is expected to rise—**4 billion people** are expected to live in water-scarce areas by 2050 (WEF). More than 80% of wastewater globally is discharged without any treatment, threatening ecosystems and drinking water sources. (U.N.)
- About **1 billion people** live without access to an all-weather road, restricting health, education, trade, and employment. Some 90% of road deaths happen in emerging markets. Landlocked countries have trade costs that are 70% higher than transit coastal countries. (World Bank)

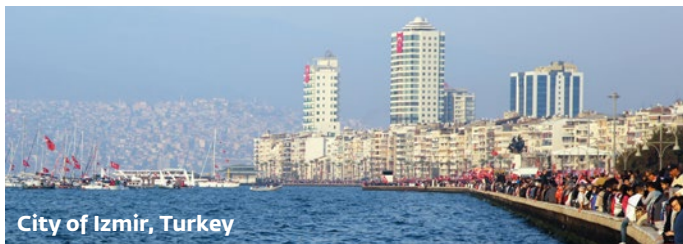
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Power



- IFC has financed 40 GW+ of electricity generation in emerging markets, plus transmission and distribution investments and support for integrated utilities
- Expertise across power sectors: thermal, hydro, solar, wind, geothermal
- Leading global investor in emerging market renewable power: nearly \$4 billion invested across more than 200 projects since 2005. Renewables > 60% of IFC's power portfolio.

Water & Municipal Infrastructure



- In the past decade IFC has committed and mobilized \$3 billion+ for 100 water and municipal infrastructure projects.
- Engagements include private sector loans and equity, PPPs, municipal loans, and other support for projects spanning water, sanitation, waste, public transport, district heating and social infrastructure.
- Multiple strategic investments in China's wastewater sector, Brazilian water, Turkish public transport.

Mining



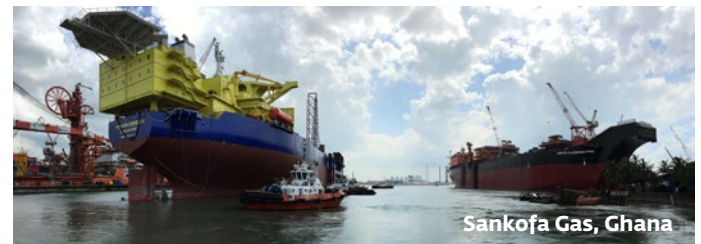
- Investment and advisory services to support sustainable business solutions in mining, spanning all stages of development, plus shared-use infrastructure
- Pioneering investments in copper, iron ore, bauxite, tin, diamonds, gold, and other industrial ores and metals that are ingredients of a low-carbon economy
- Team includes finance professionals, mining engineers, environmental specialists, development experts, communications specialists

Transportation



- Project and corporate financing of ports, airports, railways, roads, logistics, urban transport, inland waterways, shipping and airlines globally
- Since 2005, IFC has invested in more than 60 ports, 20 airports, 12 road projects, and other vital transport upgrades; \$10 billion committed and mobilized across nearly 200 projects
- Focus on projects that reduce transport costs, relieve bottlenecks, speed trade and create jobs

Oil & Gas



- More than 50 years of expertise in oil and gas sector, spanning greenfield, expansion, and modernization projects and technical and E&S expertise
- Engagements include support for upstream, pipelines, LNG, and gas distribution
- Emphasis on development and distribution of natural gas as a source of reliable, affordable, lower-carbon source of energy

INR Advisory



- Advice to help clients in power, transport, water, oil & gas, mining sectors manage operational risks, preserve value
- Expertise in ways to enhance shared benefits with local stakeholders amid growing expectations and potential for conflict; guidance on how to socialize and foster buy-in around new infrastructure ideas and processes
- Assistance and training about strategic community investment, supply chain development, revenue management, water stewardship, youth engagement