IFC and Finland
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 reached $22 billion in fiscal year (FY) 2020. IFC maintains an active relationship with Finland, covering business development with Finnish companies interested in investing in emerging markets, cooperation with Finnish banks and donor-funded initiatives. Of IFC’s long-term committed portfolio of $176 million with Finnish partners, 82% is in manufacturing, agribusiness and services, 11% in disruptive technology and funds and 7% in infrastructure, exclusively in the power sector. Eighty-two percent of investments are in the East Asia and the Pacific region, followed by Europe and Central Asia at 11% and Sub-Saharan Africa at 7%.

IFC’s Long-Term Investment Portfolio with Finnish Sponsors

As of FY20 (ending in June 2020), IFC’s long-term investment portfolio with Finnish sponsors amounted to $176 million. Finnish private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

- **Mobilization**: As of June 2020, Finnish financial institutions held about $52 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP)**: As of June 2020, IFC had issued close to 40 guarantees amounting to $16 million for Finnish banks since the GTFP began in 2005. The most active confirming bank has been OP Corporate Bank.
IFC and the Government of Finland have a track record of successful collaboration mostly in Eastern Europe and East Asia and the Pacific, focusing on energy efficiency, climate change as well as innovation and technology transfers. As of June 2020, Finland provided cumulative funding of over $51 million in support of IFC Advisory Services. In FY18, IFC and Finland expanded their collaboration beyond Advisory Services to launch the Finland-IFC Blended Finance for Climate program. Finland provided a contribution of €114 million to the program to spur private sector financing for climate-change solutions, especially in low-income countries. IFC also partners with the Ministry of Employment and the Economy, Ministry of Finance, as well as Finnfund, Finnvera and Business Finland.

**Example of Successful Cooperation**

**Finland-IFC Blended Finance for Climate Program**

In October 2017, IFC and Finland launched the Finland-IFC Blended Finance for Climate Program designed to spur private sector financing for climate change solutions in low-income countries and in fragile and conflict situations. Finland, who is IFC’s first European partner in blended climate financing, contributed €114 million to the program, which is targeting investments in renewable energy, energy efficiency, green buildings, climate-smart agriculture, and forestry. The program is helping IFC undertake early-stage innovative projects in new areas, unlock private financing for climate-smart solutions in developing countries and catalyze high-risk projects that would not otherwise happen.

Since its launch, the program has committed 5 projects, including the installation of solar arrays on schools’ rooftops in the West Bank and Gaza and supporting the implementation of Armenia’s first grid-scale solar photovoltaic project.

**CONTACT**

Henri Duféÿ
Principal Investment Officer & Country Manager for Finland
T: +33 1 40 69 31 83
E-mail: hdufey@ifc.org

**BRUSSELS**
17, Avenue Marnix
2nd Floor
1000 Brussels, Belgium
Tel: +32 2 522 00 39

**PARIS**
66, avenue d’Iéna
75116 Paris
France
Tel: +33 1 4069 3060

**FRANKFURT**
Bockenheimer Landstrasse 43
60325 Frankfurt am Main
Germany
Tel: +49 69 743 48230

**LONDON**
12th Floor Millbank Tower
21-24 Millbank SW1P4QP
London, UK
Tel: +44 207 592 8400