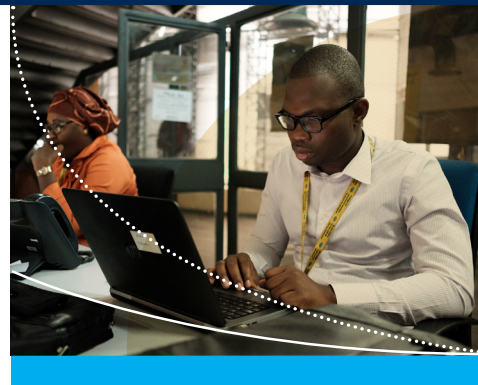


# IFC and Portugal

Partners in Private Sector Development



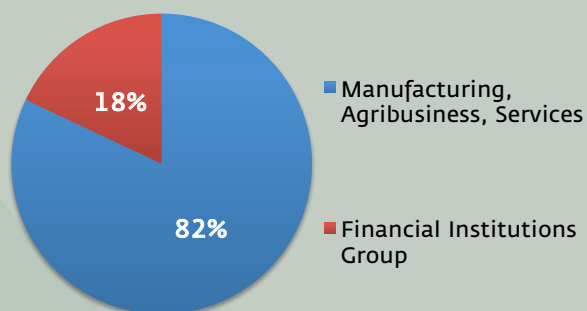
## OVERVIEW

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 \$31.5 billion in own-account investments and mobilization from third parties to private companies and financial institutions in developing countries in fiscal year 2021 (FY21). IFC partners with Portuguese multinationals and mid-sized firms interested in investing in emerging markets. As of June 2021, IFC had a long-term committed investment portfolio of \$278 million with Portuguese partners spread across several sectors and regions.

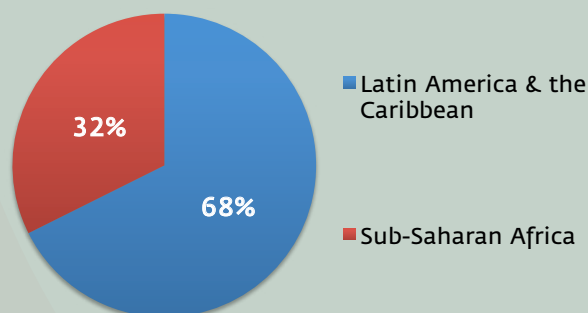
## IFC's Long-Term Investment Portfolio with Portuguese Sponsors

As of FY21 (ending June 2021), IFC's long-term investment portfolio with Portuguese sponsors amounted to \$278 million. Portuguese private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

IFC Long-Term Investment Portfolio as of June 2021 by Industry with Portuguese Sponsors (\$278 million)



IFC Long-Term Investment Portfolio as of June 2021 by Region with Portuguese Sponsors (\$278 million)



IFC Committed Exposure by Sector as of June 2021 (Dollar Amounts in Millions)

Tourism, Retail, Construction & Real Estates	198
Banking	50
Agribusiness & Forestry	30
<b>Total</b>	<b>278</b>

- **Mobilization:** IFC has a relationship with Portuguese financial institutions (FIs) and an active engagement across multiple sectors. As of June 2021, Portuguese FIs held over \$22 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP):** As of June 2021, IFC issued close to 1300 guarantees amounting to about \$366 million for Portuguese banks since the GTFP began in 2005. The most active confirming banks have been Banco Português de Investimento, Caixa Geral de Depósitos, and Novo Banco.

## PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION

In 2019, IFC and SOFID, the Portuguese development finance institution, signed a Memorandum of Understanding (MoU) to support sustainable tourism investments in emerging markets as an engine for growth and job creation in Lusophone African countries, with an initial focus on São Tomé e Príncipe.

IFC previously signed an MoU with the Portuguese Ministry of Finance in 2015 to reinforce cooperation and promote the financing of investment projects by Portuguese companies in emerging markets. In 2009, IFC and Portugal set up a €500,000 trust fund to support IFC Advisory Services in Lusophone countries, aiming to improve the investment climate, facilitate investment, develop SMEs, and support access to finance and infrastructure.



## Examples of Successful Cooperation

### Jerónimo Martins

#### Jerónimo Martins, Colombia

In July 2020, IFC committed an A loan of \$95 million in Colombian Pesos to Ara Tiendas, a Colombian food store chain, to finance its working capital increase related to the COVID-19 crisis and reduce the company's liquidity risk. Ara Tiendas is a subsidiary of Jerónimo Martins, one of the largest European food retailers based in Portugal. The loan was committed under IFC's Real Sector Crisis Response Facility, which is providing \$2 billion to support IFC's clients in the infrastructure, manufacturing, agriculture, and services industries vulnerable to the pandemic. As the COVID-19 lockdown has put a strain on supply chains in Colombia, IFC's investment will ensure continued provision of essential goods at affordable prices throughout the country, including in underserved areas in intermediate cities. The project is expected to help mitigate the economic downturn and sustain employment during the COVID-19 pandemic. This investment follows a \$93 million A loan committed by IFC in 2019 to partially finance the expansion plan of Ara Tiendas in Colombia.

#### CONTACT

Andrea Engel  
Principal Country Officer  
For Portugal  
Tel: +32 2 522 00 39  
E-mail: aengel@ifc.org

#### BRUSSELS

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

#### FRANKFURT

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

#### LONDON

6th Floor  
1 Tudor Street  
EC4Y 0AH London, UK  
Tel: +44 207 592 8400

#### PARIS

66 avenue d'Iéna  
75116 Paris, France  
Tel: +33 1 40 69 30 60