

IFC and Portugal

Partners in Private Sector Development



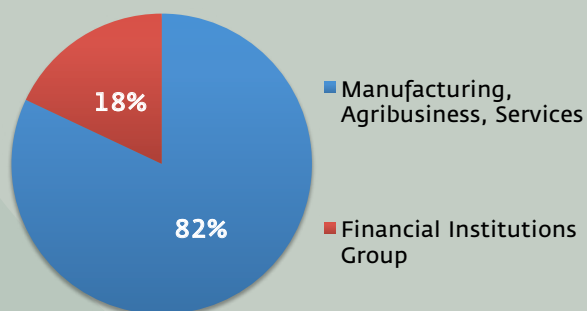
OVERVIEW

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 \$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 Portuguese multinationals and mid-sized firms interested in investing in emerging markets. As of June 2022, IFC had a long-term committed investment portfolio of \$278 million with Portuguese partners spread across several sectors and regions.

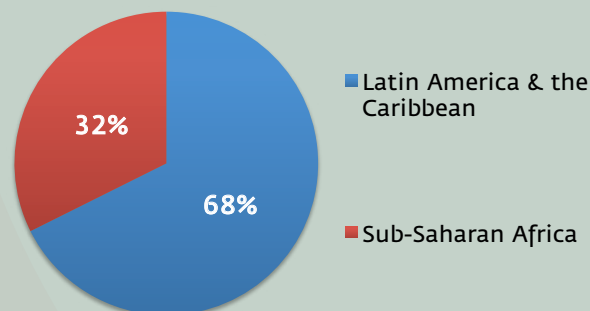
IFC's Long-Term Investment Portfolio with Portuguese Sponsors

As of FY22, 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 2022 by Industry with Portuguese Sponsors (\$278 million)



IFC Long-Term Investment Portfolio as of June 2022 by Region with Portuguese Sponsors (\$278 million)



IFC Committed Exposure by Sector as of June 2022 (Dollar Amounts in Millions)

Tourism, Retail, Construction & Real Estates	198
Banking	50
Agribusiness & Forestry	30
Total	278

- Global Trade Finance Program (GTFP):** As of June 2022, IFC issued close to 1300 guarantees amounting to about \$370 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.

*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

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.



Examples of Successful Cooperation

**Jerónimo
Martins**

Jerónimo Martins, Colombia

IFC committed a \$95 million loan in 2020 and a \$93 million loan in 2019 in Colombian Pesos to Ara Tiendas, a Colombian food store chain, to finance its expansion and 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 2020 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.

**Millennium
bcp**

Millennium BCP, Angola

In May 2019, IFC committed a senior loan of \$50 million to Banco Millennium Atlântico, an Angolan bank, for on-lending to Angolan SME borrowers. Millennium BCP, formerly known as Banco Comercial Português, is Portugal's largest private sector banking institution and a shareholder of Banco Millennium Atlântico. IFC's investment was complemented by a Global Trade Finance Program (GTFP) line of up to \$50 million, and will help to increase access to financial services for underserved SMEs, contributing to job creation and economic growth. In addition, the project is expected to create a demonstration effect for international investors and other banks in terms of scaling up SME lending in Angola.

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