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 exceeded $19 billion in fiscal year (FY) 2019. IFC maintains a focused relationship with Hungary, covering business development and donor funded initiatives. To date, IFC has conducted a mapping exercise and explored business opportunities with select Hungarian companies interested in co-investments in emerging markets.

PARTNERSHIP WITH THE GOVERNMENT

IFC’s main government counterparts are the Ministry of Finance and the Hungarian Export-Import Bank PLC (Eximbank). As of June 2019, Hungary provided cumulative funding of $20 million to IFC Advisory Services, supporting the Hungary-IFC Partnership Trust Fund (HIPTF). The fund, which was established in 2014 to help catalyze IFC’s private sector development work, has supported the energy, agribusiness, health, water management and ICT sectors across several regions in emerging markets.

Example of Successful Cooperation

MENA SEF II Program

The MENA SEF II program, supported by the Hungarian Export-Import Bank PLC through the Hungary-IFC Partnership Trust Fund (HIPTF), focuses on strengthening private climate finance markets in select countries in the MENA region. It is designed to support existing and prospective IFC investment clients in developing climate finance products and scaling up their climate portfolio. The program also facilitates partnerships between financial institutions, local consultants, energy auditors, service and technology providers and vendors, contributing to the uptake of climate finance in the region. It also helps to develop necessary frameworks and guidelines to allow key stakeholders to use innovative solutions to finance climate projects, such as green and sustainability bonds. In particular, the program helped to foster capital markets in Morocco and Egypt through the development of the Green & Social Bond Guidelines, resulting in over $300 million of green bond issuances in Morocco.