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 is an active partner of British companies interested in investing in emerging markets. Of IFC’s long-term committed portfolio of over $3 billion with UK partners, 45% is in infrastructure, 30% in finance, 14% in manufacturing, agribusiness and services and the remaining 11% in disruptive technology and funds. Most investments are at the global level (38%), in Sub-Saharan Africa (26%) and East Asia and the Pacific (14%).

IFC's Long-Term Investment Portfolio with British Sponsors

As of FY20 (ending in June 2020), IFC’s long-term investment portfolio with British sponsors amounted to over $3 billion. British private sector companies have benefited from co-investments with IFC, while making notable contributions to development.

- **Mobilization**: IFC has a strong relationship with British financial institutions (FIs) and an active engagement across multiple sectors. As of June 2020, British FIs held about $885 million in IFC Syndicated Loans.
- **Global Trade Finance Program (GTFP)**: As of June 2020, IFC issued over 2,800 guarantees amounting to $4 billion for British banks since the GTFP began in 2005. The most active confirming banks have been Standard Chartered and HSBC.

PARTNERSHIP WITH THE GOVERNMENT AND DEVELOPMENT FINANCE INSTITUTION

IFC has a long-standing relationship with the UK’s Foreign, Commonwealth & Development Office (FCDO). Currently, the UK is the largest donor to IFC Advisory Services, contributing over $740 million as of June 2020, including $90 million in FY20. The UK supports initiatives in the Middle East and North Africa and Sub-Saharan Africa, as well as thematic focus areas such as peace and security, and climate change. From its founding in 1956, IFC has worked closely with CDC Group, a development finance institution owned by the UK government which focuses on private sector development in emerging markets. IFC and CDC co-invested in several equity funds. IFC also partners with the Department of Business, Energy and Industrial Strategy (BEIS) and the Department on International Trade (DIT).
Examples of Successful Cooperation

Development Partners International, Africa Region
In June 2020, IFC committed $30 million in equity to African Development Partners III L.P. (the “Fund”), a 10-year closed-end fund targeting commitments of $800 million managed by Development Partners International LLP (“DPI”), to support the Fund during a difficult fundraising period for African private equity. DPI, a UK-based private equity firm with $1.5 billion assets under management focused exclusively on investing in Africa, will make growth equity investments to support the expansion of African businesses in the consumer goods, financial services, retail, logistics and healthcare sectors. In addition, IFC Asset Management Company committed $37 million to the Fund alongside IFC’s investment. The project will help provide a much-needed source of finance to companies across Africa, while boosting job creation and supporting regional integration by encouraging investee companies to expand in neighboring markets. Moreover, it is expected to create a demonstration effect for private equity investments and reduce investor risk perception, attracting new institutional investors to the region. IFC’s investment follows a previous $20 million investment in equity to the Fund in June 2019.

Standard Chartered, Global
In December 2019, IFC committed $250 million in the form of a renewed funded participation in a 50-50% risk sharing facility with Standard Chartered, a UK-based multinational banking and financial services company, under the Global Trade Liquidity Program (GTLP). The project aims to stimulate trade growth and support economic development in emerging markets in Asia, the Middle East and Africa. IFC’s investment will help to close the trade finance gap in emerging markets and increase access to finance for emerging market importers and exporters. This will benefit local SMEs, strengthen value chains and support growth and employment. In addition, the project is expected to have a demonstration effect, encouraging greater local and regional bank participation in trade finance for emerging markets. This is the fourth renewal of a funded trade finance program with Standard Chartered under the GTLP, which was originally launched in 2009.

Currencycloud, Global
In November 2019, IFC invested $10 million in equity in Currencycloud, a UK-based cross-border infrastructure solution allowing companies to manage international transactions. The investment, made alongside Visa, BNP Paribas, Google Ventures, and other renowned venture capital firms, will support the company’s expansion in emerging markets. IFC’s investment will help improve the speed and efficiency, as well as lower the costs of cross-border payments in low and middle-income countries, in particular for SMEs. The project is expected to increase competitiveness and drive further innovation in the cross-border payments industry through demonstration and replication effects.

Globeleq, Côte d’Ivoire
In July 2019, IFC committed a senior loan of €45 million for its own account, alongside investments by Globeleq and IPS, to finance the expansion of combined-cycle gas generation units by approximately 250 MW on the 460 MW Azito power plant’s existing site in Côte d’Ivoire. Globeleq is a UK-based developer, owner and operator of electricity generation projects in Africa, owned by CDC Group and Norfund. As global coordinator and lead arranger, IFC mobilized the full debt financing package of €264 million from seven development finance institutions for a total project cost of approximately €330 million. The project is facilitated by interest rate swaps for the Euro-denominated debt, provided by IFC. The investment will allow Azito to generate an additional 2,000 GWh per annum, bringing the total output of the power plant to over 30% of the country’s electricity generation. The increase in the provision of competitive, reliable energy in Côte d’Ivoire will help to meet the growing domestic demand and support the country’s position as a regional exporter as well as displace older, more polluting thermal units in the market, substantially reducing costs and emissions. IFC has supported the development, construction and operation of the Azito power plant near Abidjan since 1998, helping Côte d’Ivoire establish itself as one of the region’s highest performing power producers.

Global Tea, Malawi
In June 2018, IFC and the Global Agriculture and Food Security Program (GAFSP) committed a $4 million loan to support the expansion of Global Tea and its subsidiaries. Global Tea is an agribusiness group founded in the UK in 1992, that operates macadamia and coffee plantations in Malawi and tea packing factories in Kenya. Global Tea will use IFC’s financing to expand its operations in Malawi, both for macadamia and coffee, and developing a program to support smallholder farmers. IFC’s investment will contribute to the development of agribusiness industries in Kenya and Malawi, and create up to 900 jobs for farmers who supply the group. In addition, the project will support climate-smart agricultural practices, thereby boosting the sustainable production of commodities.