

# IFC and Czechia

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).\* As of June 2022, IFC had a long-term committed investment portfolio of \$236 million with Czech partners spread across several sectors in Europe and Central Asia and Türkiye.

IFC is actively exploring business opportunities with Czech companies interested in co-investments in emerging markets in partnership with the Czech Ministry of Finance.

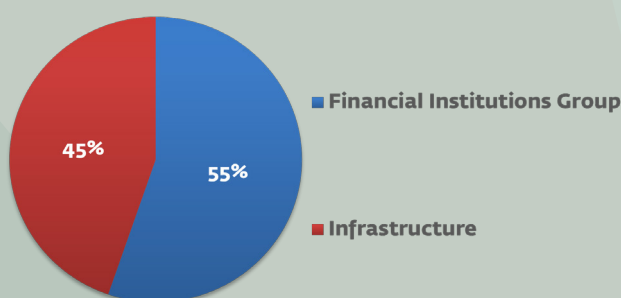
## PARTNERSHIP WITH THE GOVERNMENT

Czechia is a donor to IFC. In December 2022, the Czech Ministry of Finance signed a framework agreement with IFC to establish the Czechia-IFC Partnership Trust Fund, with initial contribution of \$1 million to support IFC's advisory and upstream activities in Europe under the Global Food Security Platform. This is the first Czech trust fund in IFC.

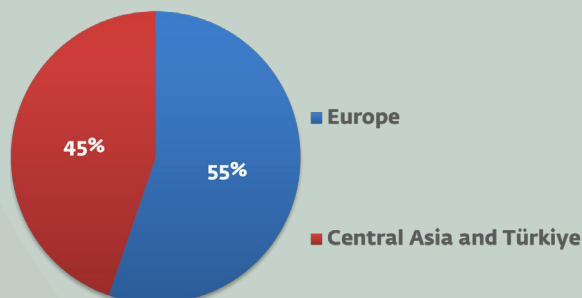
## IFC's Long-Term Investment Portfolio with Czech Sponsors

As of FY22, IFC's long-term investment portfolio with Czech sponsors amounted to \$236 million. Czech private sector companies and banks 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 Czech Sponsors (\$236 million)



IFC Long-Term Investment Portfolio as of June 2022 by Region with Czech Sponsors (\$236 million)



IFC Long-Term Investment Portfolio as of June 2022 (Dollar Amounts in Millions)

Distressed Assets	130
Power	106
<b>Total</b>	<b>236</b>

\*The World Bank Group fiscal year runs from July 1 to June 30 of the following calendar year.

## Example of Successful Cooperation



### CTP, Central and Eastern Europe

Between June 2021 and July 2022, IFC has invested an aggregate of €150 million across CTP's 7 to 10-year, green Eurobonds for the development of green-certified industrial and logistics properties in Romania and Serbia. Headquartered in Czechia, CTP is the largest full-service owner-developer of prime industrial and logistics properties in the Central and Eastern Europe (CEE) region. IFC will work with CTP to further improve its corporate governance policy to meet best practices and optimize its sustainability policy, its group-level human resources policy, and its formal procedure for addressing workers' grievances.



### CEZ, Turkey

In December 2010, IFC committed a \$75 million A loan and a \$75 million B loan to Akcez, a Turkish company owned by CEZ and the Akkök Group, and SEDAS, an electricity distribution company that is a wholly-owned subsidiary of Akcez. CEZ is the largest Czech utility company which ranks among the top ten in Europe. IFC's investment supported the development of sustainable private power distributors, and benefited clients by increasing innovation and improving service levels.

In May 2016, IFC refinanced the outstanding debt with an A loan of \$51 million and a B loan of \$51 million. IFC also financed the capital expenditure needs of SEDAS and its sister company SEPAS, the electricity supplier, for the expansion and renewal of the network. The project will help lower operating expenses, increase efficiency and ensure a secure energy supply for a growing customer base.



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