

# BUILDING A BETTER FUTURE

Working within the World Bank Group, IFC is the largest global development finance institution focused on mobilizing private sector solutions to achieve a world free of poverty on a livable planet. At a time of unprecedented global challenges, we are raising our private capital mobilization, investment, and advisory services to new levels, harnessing the potential of the private sector to deliver meaningful impact for the people and places that need it most.

In our work, we focus on solutions that are innovative, inclusive, and equip leaders with knowledge and skills to address development challenges. The summaries that follow highlight some of our most impactful work in FY23.

**Photo:** Mamounata Velegda is one of Burkina Faso's most successful women entrepreneurs. She owns a flourishing cereal, nuts, and rice-processing factory in Ouagadougou. With support from IFC client Coris Bank International, she has developed a thriving business and created employment opportunities for over 300 individuals and empowered numerous women across the country with starter kits for their retail businesses. Her latest venture involves an investment of 5 billion CFA to establish a cutting-edge rice-processing facility, aiming to position Burkina Faso as a leading regional rice producer.




# INNOVATION

Simplifying our internal business processes this year allowed us to do more than ever — moving faster, working more flexibly, and taking on more risks.

In today's challenging global conditions, we must open our minds to new ways of doing business. We are supporting innovative business models that drive the development outcomes governments desire but cannot achieve with their own resources.

Breaking new ground means working with new clients and partners, engaging early in the process, experimenting with new tools and approaches, and sometimes mitigating risks with blended finance. But these are risks that must be taken. They allow us to find opportunities amid the challenges, proving the business case time and again for others to follow.



**Photo:** Ukraine's tech firms are a pillar of the economy — and a key focus of IFC's commitment to keeping the economy going.



## UKRAINE: INVESTING IN ENTREPRENEURS

Keeping Ukraine's economy moving amid the impact of Russia's invasion requires a concerted international effort. This effort must go well beyond the military aid dominating the headlines. Businesses need to continue to provide goods and services, and people need to earn a living. IFC is helping to sustain Ukraine's private sector, including through a targeted investment to help the country's strong technology sector retain its momentum and keep 285,000 specialized workers employed.

The World Bank Group is deeply committed to financing large-scale relief and recovery efforts in Ukraine, combining public sector support through the World Bank's multi-donor coordination PEACE project for the government with IFC's Economic Resilience Action Program. IFC's \$2 billion support package includes trade finance, help for reconstructing the critical energy sector, financing for agribusinesses and women-owned enterprises, and more.

IFC has signaled its commitment to Ukraine's private sector through its \$60 million investment in Horizon Capital Growth Fund IV. IFC is the largest investor in the fund, which is supporting the tech industry and accelerating the growth of private equity markets in Ukraine and Moldova. It aims to support visionary entrepreneurs "who dare to be bold," according to founding partner and CEO Lenna Koszarny.

Ukraine's private sector is the backbone of the country's economy, providing goods, services, and jobs. The tech sector in particular has shown remarkable resilience during the last year. It was the country's only export industry to expand in 2022, a time when overall GDP shrank by nearly 30 percent. But the ongoing instability is a major deterrent to Ukraine's growth, making continued access to growth capital essential for leading companies. IFC's investment in Horizon Capital Fund helped it exceed its \$250 million target in a high-risk environment, mobilizing approximately \$80 million from other development finance institutions.



**Ketevan  
Liparteliani**

Investment Officer,  
IFC, Paris

**"It was probably the point when I fully internalized IFC's mission and why we exist, and the power the World Bank Group has to be a game changer."**

Ketevan Liparteliani led IFC's team investing in Horizon Capital Growth Fund IV for Ukraine. Working tirelessly in the months after Russia's invasion of Ukraine, she organized a group of other development finance institutions to participate alongside IFC, just in time for an initial closing in London in September 2022.

Ukraine's President Volodymyr Zelensky attended the ceremony via video link, showing appreciation for all the investor group's efforts. He also attended a follow-up event in Kyiv in April 2023, where the IFC-backed Horizon Capital Fund announced it had raised even more money than expected to invest in growing Ukrainian tech firms—supporting job opportunities at a critical time.

# JAMAICA: THE POWER OF PUBLIC-PRIVATE PARTNERSHIPS

Following a deep recession in the wake of the COVID-19 pandemic, Jamaica's economy is on the upswing. The leaders of the island nation have a vision to spur future growth with critical infrastructure such as roads and reliable and affordable internet, and they are turning to IFC to help realize their ambition of attracting \$1.5 billion of new private investment in infrastructure through public-private partnerships (PPPs).

PPPs are a proven tool for enhancing limited public resources with significant new injections of private capital, expertise, and innovation. IFC is well-placed to provide guidance—having advised on and closed more than 160 PPP projects globally since 2014.

Jamaica's north coast is home to pristine beaches sought after by travelers across the world, but traffic congestion has become so bad that tourists, commercial deliveries, and residents frequently get stuck in gridlock. IFC is now the government's lead adviser in organizing a competitive tender to attract a private operator that will finance, expand, and operate three important road segments on the island's north coast.

"We are looking at one stretch of road, for example, that should just take 20 minutes to travel, but during peak hours you can sit in traffic for up to two hours," says Michelle Ottey, IFC lead on PPP Transaction Advisory in the Caribbean. "Consider how challenging this is for business, for visitors, and for everyday life along that northern corridor."

The approximately \$600 million project will help reduce travel time, improve safety, support tourism, and open access to new areas for development.

Similarly, Jamaica's digital highways need an upgrade. The government plans to install a national broadband network to improve internet reliability and bring costs down, as currently the monthly online subscription price represents more than 10 percent of Jamaica's GDP per capita each month. For this project too, the government has mandated IFC to advise on bringing in private investors.

"The work we are doing has an impact that can potentially change the Jamaican economy's profile," says Ottey. "Road networks are important to everyday citizens and tourism. The national broadband network would support the government's digital transformation initiatives. Now is the time to help Jamaica bring in more private investment to make these projects a reality."



The Honorable

**Nigel  
Clarke, DPhil., MP**

Jamaica's Minister of  
Finance and the  
Public Service

**"As a transaction advisor with a development bias, IFC, the private sector arm of the World Bank, has unparalleled global expertise. The opportunities are ripe to partner with them to bring to market, possibly, highway, broadband, healthcare, water, sanitation, and other infrastructure projects."**

## TRADE FINANCE: MITIGATING RISK AND MAXIMIZING FINANCING

When commerce stalls, economies suffer. But through financial innovation, IFC is greasing the wheels of trade in emerging markets to reignite economic growth.

Our landmark \$50 million guarantee agreement with BNP Paribas, France's largest bank, exemplifies this approach. By backing \$1 billion of BNP Paribas' trade finance portfolio, IFC provided a crucial risk buffer so the bank could rapidly expand lending to importers and exporters across developing regions.

Trade finance oils the machinery of international commerce by mitigating payment risks inherent to cross-border transactions. But uncertain conditions have hindered trade financing flows, constraining growth in emerging economies.

That's why IFC leveraged its AAA credit rating to guarantee BNP Paribas' trade finance risks, freeing up capital for new lending. This synthetic risk transfer structure, widely used in advanced markets, extends a vital financing tool to economies with limited short-term credit access. With risk coverage from IFC, BNP Paribas can now finance billions in new trade annually, allowing businesses to thrive and catalyzing multiplier effects across markets.

In this way, trade finance is central to turning the wheels of global commerce. By innovating to expand trade finance through partnerships like ours with BNP Paribas, IFC is supporting prosperity worldwide. Our guarantee agreement frees up capital to facilitate trade flows, keeping the engine of emerging economies running through uncertain terrain.

**Photo:** Bangladesh's garment sector employs more than 3 million women. A partnership between IFC and Levi Strauss & Co. helps factories identify and implement cleaner and more resource-efficient production options.



# DRIVING ADOPTION OF ELECTRIC VEHICLES IN INDIA

With transport standing as the fastest-growing contributor to climate change, it is no longer a question of whether electric vehicles (EVs) should be adopted at scale, but rather how quickly. In India, IFC is investing in a leading EV manufacturer that is helping drive the local transport sector's move away from fossil fuels.

Our \$73 million-equivalent rupee stake in Mahindra Last Mile Mobility Limited — a subsidiary of Mahindra & Mahindra — will help the firm scale up its production of electric three wheelers and small trucks while also enabling the development and manufacturing of new products. EVs enable vibration- and noise-free operations and are also more affordable options for India's microentrepreneurs. The business will further generate employment for women, driving equality and inclusion while bolstering India's climate action agenda.

By supporting this leading market player, IFC hopes to encourage other large automotive manufacturers to follow suit. The goals: drive EV adoption across India, the world's largest three-wheeler market, and help the Indian government deliver on its climate target.

**Photos:** Devkanya Pandey drives her Mahindra electric auto in the city of Indore, Madhya Pradesh.



# IFC's Strategy: Scaling up Electric Vehicles

Electrification of transport is essential to the transition to a low-carbon economy. Electric vehicles (EVs) bring many benefits in developing countries — lower emissions, improved last-mile connectivity in remote places, reduced dependency on imported fuel, and better air quality. But despite these advantages, they remain a relative rarity in developing countries.

IFC has now invested nearly \$3 billion in the e-mobility value chain, helping scale up the industry and increase its impact by working across the sector's entire value chain in all regions of the world, focusing on large, globally replicable investment opportunities. Our focus includes:

## **POLICY AND REGULATION:** Encouraging increased private sector participation

**INVESTMENTS:**  
FINANCING GROWTH  
ACROSS THE VALUE CHAIN

MINING

MATERIALS &  
COMPONENTS

CHARGERS  
& SWAPPING  
INFRASTRUCTURE

E-BUSES

COMMERCIAL  
FLEETS

PERSONAL  
MOBILITY

ASSET  
FINANCING  
& LEASING

TECHNOLOGY  
SERVICES

REUSE &  
RECYCLING



# UZBEKISTAN: ENERGIZING REFORMS

Across Central Asia, frequent power shortages plunge millions into darkness and disruption. But in Uzbekistan, rays of light are emerging to chart a new energy future—not just for the country but the entire region.

With the flick of a switch, Uzbekistan illuminated its inaugural solar power plant, Nur Navoi. Built through a first-of-its-kind public-private partnership, the shimmering sea of panels now powers 31,000 homes with affordable, sustainable energy.

“When we started the solar project, we were testing the waters,” said Bahrom Umarbekov of Uzbekistan’s Ministry of Energy. Today, Nur Navoi is a symbol of Uzbekistan’s energy transition and a model for the region.

Through an innovative competitive bidding process, Uzbekistan tapped Abu Dhabi’s Masdar Clean Energy to construct Nur Navoi. IFC advised on the landmark deal, then helped finance the project alongside the Canada-IFC Blended Climate Finance Program.

Encouraged by Nur Navoi’s success, Uzbekistan is doubling down on renewables, aiming to double its clean energy share by 2025. It has already attracted \$580 million in investments, including from IFC, for

the region’s largest wind project. The mammoth 500-megawatt Zarafshan wind farm will power 500,000 homes annually and prevent over 1 million tons of GHG emissions each year.

Uzbekistan is charting a new path for the Central Asia region—one powered by private expertise and investment in renewable energy. And with each new solar panel and wind turbine, Uzbekistan is bringing much-needed light and power to the region.



**Photo:** Uzbekistan’s Nur Navoi Solar field.



**Bekzat  
Oishynov**


Investment Officer,  
IFC, Almaty

**“It wasn’t an easy job. But that’s what we’re here for: making landmark projects like this one happen, so they become success stories for their countries.”**

Bekzat Oishynov spent over 18 months arranging IFC’s financing for Uzbekistan’s inaugural wind power project—the \$580 million Zarafshan power plant that is due to be operational in 2025, displacing more than 1 million tons of GHG emissions a year. There were many ups and downs along the way as he managed relationships with various stakeholders: the sponsor, the government, and six different lenders. Environmental safeguards were especially important, including the utilization of advanced technology to ensure the safety of birds from the wind turbines.

The challenging work paid off in the end: Zarafshan was honored by three leading industry publications, named Central Asia Deal of the Year by *Project Finance International*, Asia-Pacific Renewables Deal of the Year by *IJGlobal*, and Central Asia Deal of the Year by *The Asset Triple A*.

# GAME-CHANGING TECHNOLOGY FOR SENEGAL'S SMALLHOLDER FARMERS



**Photo:** Through agCelerant, these smallholder farmers in Senegal are benefitting from IFC's investment in rice production.

Across Africa, smallholder farmers, particularly women, lack access to quality agricultural inputs, including high-yield seeds and fertilizers. They are shut out from traditional forms of banking and have limited access to formalized financing. In Senegal, where agriculture contributes 15 percent of the overall GDP and employs 77 percent of the workforce, lending to farmers and farmer groups stands at just 1.2 percent of banking sector lending. Financial institutions, wary of perceived high risks, are hesitant to lend to farmers — posing an acute challenge to farmers' ability to feed a growing population.

IFC's Africa Agriculture Accelerator Program (AAAP), aimed at demonstrating the financial viability of smallholder financing through the combined use of technology, insurance, agent monitoring, and field extension services, is helping address those barriers. With support from the Private Sector Window of the Global Agriculture and Food Security Program (GAFSP), IFC partnered with agCelerant and the Bank of Africa as part of an AAAP pilot to help smallholder farmers and small businesses in Senegal's rice value chain get access to finance more easily to grow their operations. The risk-sharing facility supports Bank of Africa-Senegal's lending to thousands of smallholder rice farmers and small rice-producing businesses, helping them access insurance, inputs, and equipment.

Bank of Africa is leveraging the support of agCelerant, an agritech company that offers data-driven solutions and training to ensure farmers receive the financial and technical support they need to increase their productivity. Using satellite imagery and other technologies, agCelerant controls the delivery of inputs such as fertilizers and agrochemicals, insurance coverage, and farm services.

Improving food security and reducing import dependence, particularly for rice, is a key strategic priority for Senegal's government. Rice, a critical commodity, is largely imported and despite favorable conditions for cultivation, the country produces less than 40 percent of the rice it consumes.

The project is part of IFC's Global Food Security Platform, a \$6 billion financing facility designed to support vulnerable communities, boost the flow of vital commodities to emerging markets, and help reduce food insecurity.



## SUPPORTING STARTUPS IN CHALLENGING MARKETS

Risk-taking entrepreneurs build thriving new companies that create jobs, foster innovation, and drive competitiveness. But the road can be rough. The support they need is often lacking in emerging markets and developing economies — and almost nonexistent in lower-income countries.

IFC helps fill this gap with an integrated investment and advisory package called IFC Startup Catalyst that covers the full range of promising new companies' needs. Under our innovative business model, we help build nascent startup ecosystems by investing in both earliest-stage support vehicles like incubators, accelerators, and seed funds, as well as venture capital funds that then take equity stakes of between \$50,000 and \$500,000 in emerging startups.

**Photo:** IFC's Startup Catalyst Program is investing in tech-enabled ventures like Toters, a delivery service connecting local merchants with more than 500,000 customers in Lebanon and Iraq. Toters delivers food, grocery, and convenience products on-demand from more than 4,000 partner SMEs. Toters represents IFC's first venture capital investment in Lebanon and Iraq.

Since its launch in 2016, the initiative has supported more than 2,800 entrepreneurs in 24 countries through 19 funds. Companies supported by Startup Catalyst have raised \$4.5 billion in follow-on funding — 86 times the amount of IFC's original investments.

One example is Egyptian client accelerator Flat6Labs, which provided early backing to Chefaa, a local women-led online pharmacy. It has since raised more than \$3.6 million in funding to expand partnerships with 1,000 pharmacies, offering services to 7.5 million users who benefit from automatic refills of prescriptions, dosage reminders, and the ability to consult an Arabic-speaking pharmacist at any time.

## The Entrepreneurial Ecosystem

IFC Startup Catalyst works across the startup spectrum, building key components of the growth environment:

### INCUBATORS

foster early-stage companies through their first developmental phases until they have the financial, human, and physical resources to run on their own.

### ACCELERATORS

help startups step up their rate of growth, taking partial ownership in companies that participate in intensive, time-limited programs.

### SEED CAPITAL FUNDS

invest in exchange for a preliminary equity stake or share in profits; their support is often seen as a key first step in helping startups become established businesses.

### VENTURE CAPITAL FUNDS

provide the next stage of investment for startups and small businesses with long-term growth potential, often providing technical or managerial expertise as well as investment.



**Photo:** Now being replicated in Africa, IFC's She Wins Arabia initiative helps women-led startups across the Middle East and North Africa get the advice, mentorship, and financing they need to grow.

## Complementary IFC Initiatives

### Africa/MCAT VC Platform

To help build the digital economy in Africa, the Middle East, Central Asia, and Pakistan, IFC launched a new \$225 million platform in 2022 to strengthen venture capital ecosystems and invest in early-stage companies addressing development challenges through technological innovations in climate, healthcare, education, agriculture, e-commerce, and other sectors. The platform is supported by the blended finance facility of the International Development Association's Private Sector Window to reach investors in low-income and fragile and conflict-affected countries.

### VivaTech/IFC Partnership

Innovation accelerator VivaTech and IFC have teamed up to host the [AfricaTech Awards](#). The initiative aims to recognize and support innovative Africa-focused companies with disruptive solutions in the climate tech, health tech, and fintech sectors. The AfricaTech Awards, now in their second year, are part of IFC's strategy to strengthen tech ecosystems in emerging markets and help innovative startups scale.

### She Wins Africa

To support women entrepreneurs across sub-Saharan Africa, IFC launched She Wins Africa in 2023. The program is designed to unlock the potential of hundreds of women-owned startups by offering them advice, training, mentorship, and improved access to finance. She Wins Africa builds upon the success of IFC's She Wins Arabia program of 2021, which to date has provided training to more than 80 women entrepreneurs and support to more than 30 funds and accelerators.



# INNOVATING TO BOOST ENERGY ACCESS IN DEMOCRATIC REPUBLIC OF CONGO

Much of Africa remains unconnected to power transmission lines, holding back development and leaving about 600 million people without electricity. Mini-grids, decentralized systems that generate and supply power to communities independently from national transmission grids, offer a beacon of hope.

Mini-grids are an affordable, sustainable way to expand electricity access. They are especially suitable for remote areas, such as in the Democratic Republic of Congo, one of the world's least electrified countries, with 70 million people living without access to power. IFC is helping communities tap into the promise of this technology by investing \$10 million in Nuru, a pioneer of distributed energy solutions in the country.

Part of a more than \$40 million package involving several other investors, the financing will allow Nuru (the Swahili word for "light") to begin work immediately on new solar projects in provincial capitals Goma, Kindu, and Bunia, serving about 28,000 households and businesses.

The firm's utility-scale "metro-grids" use cutting-edge technology and service, designed to provide reliable, round-the-clock renewable energy to communities in Eastern DRC. Once completed, the installation at Bunia will be the largest off-grid solar hybrid project of its kind in sub-Saharan Africa. IFC's investment is supported by blended finance from the Finland-IFC Climate Change Program to help de-risk the transaction.

**Photos:** IFC client Nuru, one of Africa's pioneering renewable energy-powered minigrad companies, is revolutionizing safety in Goma, in the Democratic Republic of Congo. In the past, the lack of exterior lighting and streetlights posed a threat to residents. But the installation of 394 new streetlights has dramatically improved security. The neighborhood now shows a 39 percent increase in residents feeling safe while walking alone at night and increased job opportunities.



## Upstream: Unlocking Opportunities for New Investment

One of the biggest barriers to sustainable private sector investment in emerging markets and developing economies is the shortage of well-prepared, commercially viable investment opportunities.

To address this gap, IFC has significantly increased its focus on early-stage market and project preparation work. These proactive and hands-on efforts, referred to as “Upstream,” help remove investment barriers and create opportunities to attract private capital where it is needed most. And these efforts are bearing fruit — IFC’s pipeline of Upstream-supported projects for the next five years now exceeds \$30 billion, taking on key challenges in climate, water supply, digitalization, healthcare, and other areas.

Upstream work over the past four years helped pave the way for IFC’s investment in Nuru, assisting the firm with financial models, feasibility studies, and identification of new partners. Similar Upstream efforts have supported 47 other investee companies this year, resulting in the dramatic growth of IFC’s annual Upstream-enabled investments from \$1.1 billion in FY20 to \$4.4 billion in FY23.

While not all Upstream efforts will convert into IFC investments, those that don’t may serve as drivers of investment for others. It is experimental, resource-intensive work that takes patience and tolerance for risk — but opens the doors to new investments that change lives.

# INCLUSION

A woman wearing a red headscarf and a red apron is working in a bakery. She is standing behind a long metal tray filled with donuts. Some donuts are in clear plastic bags with purple and white packaging. In the background, other workers and shelves of donuts are visible. The bakery has a high ceiling with industrial lighting and metal beams.

Across everything we do, IFC works to support inclusive business models that improve livelihoods and create opportunities for the people who need them most.

This means opening doors to business opportunities for women entrepreneurs and job creation for those at the base of the economic pyramid, such as refugees. More broadly, it also means widening the private sector's role in countries that receive little investment or face other major challenges. However it is defined, inclusive business models are needed for growth to be sustainable and effective in reducing poverty.

**Photo:** In Kenya, joint IFC and UNHCR work helped attract private businesses, including this bakery, to the Kakuma Kalobeyei refugee-hosting area, creating job opportunities and enhancing access to services for refugees and host communities.



## PRIVATE SECTOR SOLUTIONS FOR REFUGEES AND HOST COMMUNITIES

The number of people around the world who have been forcibly displaced from their homes reached 110 million in 2023—a record high. An estimated three out of four of these people are hosted in low- and middle-income countries, often by communities facing similar socioeconomic challenges.

This grim statistic calls for innovative approaches to address a crisis that shows no signs of abating. In 2018, the United Nations General Assembly affirmed a Global Compact on Refugees, a historic framework calling for greater support for people forced to flee, as well as the communities that host them. It envisages a more significant role for the private sector to help create an enabling environment for refugees to become more self-reliant so they can build their own futures and contribute to their host communities.

In response to this call to action, in December 2022, IFC and UNHCR (the UN Refugee Agency) established a Joint Initiative to create opportunities for refugees and their host communities. The Joint Initiative provides operational support to IFC and UNHCR teams and promotes knowledge sharing to facilitate the engagement of private

**Photo:** IFC and Colombian microfinance bank, Bancamía, launched a pilot program to help Venezuelans in Colombia integrate into social and economic life. Venezuelan migrant María José Noguera Martínez took out a Bancamía micro loan to start her business.

sector stakeholders in refugee-hosting areas. It taps into private sector expertise, financing, and innovation to improve the quality of life for those forcibly displaced and their hosts. Through job creation, affordable and inclusive services, financing infrastructure, and providing capital for small and medium enterprises, significant progress can be made in fostering economic growth and empowerment.

Since 2016, IFC and UNHCR have been working together on project implementation in countries including Brazil, Colombia, Ethiopia, Iraq, Jordan, Kenya, Lebanon, and Uganda.

IFC's new formal partnership with UNHCR will build on the experience of this work and allow them to have a more significant impact in supporting local economies and markets, in alignment with the spirit of the Global Compact on Refugees.







## GENDER BONDS: BREAKING DOWN BARRIERS

**Photo:** Brazilian entrepreneur Júlia Morais started her business, Flor de Maio, to provide natural and holistic healthcare products to women in her community. She was able to grow her business, thanks in part to a loan from Itaú Unibanco.

In the heart of Brazil, a small business owner had a vision, but like many women entrepreneurs in her region, she faced significant barriers in accessing the necessary capital. Meanwhile, thousands of miles away in Indonesia, another woman shared a similar dream and faced similar challenges.

In 2023, these women and thousands of female entrepreneurs like them saw their dreams begin to take shape, thanks to an innovative partnership between IFC and two commercial banks.

In Brazil, IFC partnered with Itaú Unibanco, subscribing to a \$200 million gender bond. This marked the first gender bond issued by a private bank in Brazil, and it was a game changer for thousands of women. The bond supported Itaú Unibanco's lending program to women-owned small and medium enterprises (WSMEs), particularly those in underserved

regions. With this support, entrepreneurs across the country were able to secure the funding needed to expand their businesses, hire more local artisans, and contribute to their local economies.

In Indonesia, IFC embarked on a landmark social and green bond deal with PT Bank BTPN Tbk (BTPN), worth up to \$500 million. This investment was not just about green growth; it was also about empowering women business owners. The financing gap for MSMEs in Indonesia, exacerbated by COVID-19, was a significant hurdle for entrepreneurs, with women among the hardest hit. However, with half of the social bond proceeds now earmarked for WSMEs, thousands of entrepreneurs will be able to secure the necessary funding to grow a greener, more inclusive economy.

These initiatives are part of IFC's Banking on Women (BoW) business, which has been providing financial and business solutions to women-led SMEs through financial institution partners. Since 2012, IFC's BoW business has mobilized and invested more than \$4.2 billion in financial institutions, specifically to finance women-led SMEs through 251 investment and advisory services in 76 countries.

Looking ahead, we remain committed to leveraging our capital, expertise, and influence to create markets and opportunities for women entrepreneurs. By doing so, we aim to build a better future where everyone, regardless of gender, has an equal opportunity to succeed.

From Brazil to Bali and everywhere in between, women entrepreneurs find themselves connected by shared experience. IFC's continuing support for social bonds is transforming women's entrepreneurial experience from hardship to opportunity.

## PAKISTAN: SUPPORT AT A CRITICAL TIME

In a year when Pakistan faced a crippling combination of catastrophic floods, an economic downturn in part due to the global energy crisis, and political instability, IFC more than doubled its annual investments in the country to nearly \$1.5 billion, a new record and testament to our role as a countercyclical investor.

This unprecedented level of IFC support came as the country is confronting its worst economic crisis in decades. Amid Pakistan's declining foreign reserves, companies need hard currency to do business in industrial and manufacturing sectors. But commercial banks' ability to lend to the private sector has been low amid the broader uncertainty.

IFC has provided a lifeline with short-term finance, which rose by more than 80 percent this fiscal year. IFC's investments included the launch of a pioneering supply chain risk-sharing facility to increase our capacity to support clients in key sectors such as complex manufacturing and export-oriented products, as well as value chains of smaller businesses.

IFC is also helping address Pakistan's challenges by providing long-term financing. In healthcare, our financing for a private hospital in the Khyber Pakhtunkhwa province is helping improve access to high-quality healthcare services, especially for low-income patients. There is only one doctor for every 3,000 people in the province, less than a third of the national average and well below World Health Organization recommendations. The investment builds on earlier IFC advisory work that helped

Northwest hospitals monitor and improve their quality of care, strengthen corporate planning, and improve internal processes and corporate governance. Approximately 25 percent of patients come from nearby Afghanistan.

IFC's investment in the hospital is supported by a co-investment from the blended finance facility of the International Development Association's Private Sector Window. The blended concessional finance co-investment is addressing a gap in the availability of the long-term financing that the project needs to deliver the anticipated impact.

Our global focus on addressing the impacts of climate change is also evident in Pakistan, a country that is responsible for only 0.3 percent of global emissions but is disproportionately affected by extreme weather events such as floods and cyclones. We are looking to scale up support for sustainable and climate-resilient infrastructure while also supporting micro, small, and medium enterprises and strengthening capital markets. In addition to financial support, IFC provides advice on partnerships between the government and private sector to improve the country's water supply, hospitals, and airports. Through this support, a first-of-its-kind framework has been developed for airport outsourcing in the country.

**Photo:** Northwest General Hospital and Research Center in Peshawar, Pakistan.



**James  
Morley**

Senior Investment  
Officer, IFC, Singapore

**“There is a huge need for improved healthcare in this city of more than 2 million people with a large Afghan refugee population, but no other hospitals of this quality.”**

Amid the global COVID-19 pandemic, James Morley began working on IFC's \$11 million investment in the expansion of two private hospitals serving low-income patients in Peshawar, Pakistan. For the first two years, travel was impossible. As time went on, a deep macroeconomic crisis began to emerge in Pakistan, decreasing the Pakistani rupee's value by 50 percent. Then the Taliban takeover of neighboring Afghanistan led to a flood of refugees, making conditions even more challenging in the province.

But thanks to the team's persistence, a committed client, and IFC support that included blended finance and Upstream/advisory, the client received the transformative IFC funding, increasing access to healthcare for thousands of people in this frontier region of the country.

# AFFORDABLE HOUSING: FILLING THE GAP

The world faces a vast shortage of affordable housing. Demand greatly outstrips supply, affecting more than a billion people. IFC is mobilizing its toolkit to tackle this crisis with new urgency.

Consider Papua New Guinea, which struggles with a critical housing shortage in its capital, Port Moresby. An estimated 56 percent of the city's population will live in informal settlements by 2030 unless the issue is addressed. High prices and a lack of supply are pushing people to live in unsafe conditions.

IFC has signed an advisory agreement with the government to address this shortage through structuring and implementing a public-private partnership that will help provide a variety of single-unit family dwellings and affordable flats. IFC will assist the government in running an open and competitive bidding process to identify a highly experienced private developer to design, finance, build, and maintain the housing for a defined period. This affordable housing project will not only help address a housing shortage and problems associated with informal settlements, but will also provide a stock of climate-resilient homes that incorporate green design specifications.

**Photo:** New affordable urban housing under construction in the Mandeni Municipality of South Africa's iLembe District of KwaZulu-Natal.





Home ownership is one of the most important ways for people to build wealth and transfer it to the next generation. In South Africa, IFC is helping put more people on that path, which, in addition to improved access to finance, sometimes requires resolving complex legal issues that stand in the way.

South Africa’s government has built more than a million subsidized houses for its low-income populations in recent decades. But in many cases, when people received the houses, title deeds were not transferred, leaving occupants unable to legally sell or borrow against the property. This has kept an estimated 242 billion rand (approximately \$12 billion) in assets out of the hands of the country’s poorest households. With the support of the Swiss State Secretariat for Economic Affairs (SECO), IFC advisory services has helped two municipalities near Durban locate the rightful owners, transfer full ownership to them, and make sure the problem does not repeat itself.

**Photos left:** Sifunda Amos Nkosi (above left, accompanied by Thobeka Cele) and Nonhlanhla Msweli are among the low-income homeowners who have now acquired titles to their property thanks to the advisory services IFC and SECO are providing to municipalities in South Africa.



**Amina**  
**Khaled El Zayat**  
Senior Operations Officer,  
IFC, Johannesburg

**“This story touched me on a personal level, as I was able to see very immediate and tangible results on the ground as a consequence of our work.”**

Amina Khaled El Zayat says the South Africa Property Titling advisory project took her deeper into the grassroots than anything else in her 15-year career at IFC. It helped the KwaDukuza and Mandeni municipalities near Durban locate the owners of low-income housing and put the title deeds into their hands. The lessons from this pilot project are now discussed at the policy level to replicate its success on a larger scale.

STRATEGY IN ACTION

# THOUGHT LEADERSHIP AND CAPACITY BUILDING

Collaborating with partners to build expertise and share knowledge is an essential part of IFC's mission.

In addition to the hundreds of projects we carry out each year, we conduct regional and thematic research initiatives to provide evidence-driven recommendations on how the private sector can help address the most urgent challenges of development. These efforts help set a broader agenda for business and finance in the developing world, pointing the way to new solutions for a more sustainable and inclusive world.

Through partnerships, we also work to build the capacity of leaders in emerging and developing economies to develop their skills and knowledge.

**Photo:** IFC financing helps Kenyan financial technology firm M-KOPA expand its flexible credit model, giving customers access to everyday essential products by paying a small deposit followed by digital micropayments.



## IFC AND WTO: TRADE FINANCE IN AFRICA

At the height of the COVID-19 pandemic, the trade finance gap added to an array of disruptions in moving critical goods and commodities across borders. Restoring and increasing access to trade finance to boost trade flows is a critical policy priority to support economic growth prospects.

In FY23, IFC and the World Trade Organization (WTO) joined forces to understand how to scale access to trade finance in West Africa's four largest economies — Côte d'Ivoire, Ghana, Nigeria, and Senegal — which face a trade finance shortage of up to \$14 billion annually.

The study, [Trade Finance in West Africa](#), finds that the high cost and limited scope of existing trade finance products in these economies severely limits their trade. By lowering the costs and increasing the availability of trade finance, these countries could boost their exports and imports by up to \$26 billion annually. Additionally, providing greater access to trade finance would bring major economic benefits and has become a key focus of IFC's work across the continent. This has included joint capacity-building workshops with WTO for banks, SMEs, industry associations, and government officials in Rwanda and Côte d'Ivoire.

Complementing that outreach is the African Trade and Supply Chain Recovery Initiative, launched by IFC in 2022 with the support of the International Development Association's Private Sector Window. It provides funding and risk mitigation through local financial institutions to importers and exporters of essential goods across Africa, especially in

the poorest and fragile and conflict-affected countries. In its first year, the initiative provided seven banks with trade finance lines totaling \$75 million in countries such as Burkina Faso, Burundi, Guinea, and Mauritania. This included a \$5 million facility for Interbank Burundi, supported by advisory services, and \$10 million to bolster the growing trade finance business of Mauritania's Banque Mauritanienne de l'Investissement.



**Ngozi  
Okonjo-Iweala**  
WTO Director-General

**“Our collaboration with IFC has helped us better understand what is happening with trade finance in Africa, enabling IFC to help plug the trade finance gaps. Our landmark study showed that only 25 percent of West Africa’s trade was supported by trade finance, at high cost, marginalizing small traders and keeping them downstream in production.”**

# IFC AND IEA: SCALING UP INVESTMENT IN CLEAN ENERGY

Growth in emerging markets and developing economies will result in increasing energy demand that governments alone cannot fulfill — unless they cut other critical expenditures. A joint report by IFC and the International Energy Agency calls on the private sector to step up.

The report, [Scaling Up Private Finance for Clean Energy in Emerging and Developing Economies](#), finds that annual clean energy investments in emerging and developing economies will need to more than triple by the early 2030s and stay at those levels for another 20 years to meet rising energy needs and align with the climate goals set out in the Paris Agreement.

It estimates that about 60 percent of this financing will have to come from the private sector, amounting to about \$1 trillion annually by the early 2030s, up from \$135 billion today. Encouragingly, new climate-friendly energy solutions are being introduced to the market, but they face risks of uneven development and deployment, potentially leaving many countries behind.

For the private sector to play its part, clean energy projects need to be developed that match investors' risk and return expectations. Currently, the cost of capital for a typical utility-scale solar project can be up to three times higher in emerging economies than in advanced ones, reflecting real and perceived risks at the country, sectoral, and project levels. The World Bank Group will be instrumental in de-risking projects through blended finance and in improving project preparation to scale up opportunities.

The report stresses the importance of de-risking for projects that involve newer technologies that have yet to scale and are not yet cost-competitive in many markets, such as battery storage, offshore wind, renewable-powered desalination, or low-emissions hydrogen. Projects using more traditional technologies but located in riskier markets will also require de-risking.

**Photo:** IFC-financed Cibuk 1 wind farm in the northern Serbian province of Vojvodina.



# CAPITAL MARKETS: TRAINING THE NEXT GENERATION OF LEADERS

With sufficient financing, companies create jobs—providing the steady incomes that lift people out of poverty. Along with loans and equity investments, mature capital markets play a critical role in enabling business owners to access long-term financing, allowing them to grow their operations and hire more people.

But in many countries, capital markets remain underdeveloped because they lack a critical mass of knowledgeable regulators who can carry out reforms to modernize the financial sector and develop local capital markets. This is why IFC has teamed with the Milken Institute in the United States and Paris Europlace in France to train future leaders at the George Washington University and Paris Dauphine University.

Successful capital market development requires robust skills in financial regulation, market intermediation, and policy planning. Over the past seven years, the IFC-sponsored Capital Markets Program has addressed this need, educating mid-career professionals from ministries of finance, central banks, stock exchanges, and capital market authorities. Since its inception in 2016, the program has trained over 220 professionals across 58 countries.

“The program has really been very beneficial to our countries by preparing participants to be the next crop of governors, ministers of finance, and other positions in our countries,” said Patrick Njoroge, governor of the Central Bank of Kenya.

“If such opportunities can be afforded to many people in developing countries, it can help to change Africa,” said program alum Vusani Khoza of the Central Bank of Eswatini.

The students spend about eight months in Washington, D.C., or in Paris, first completing a certificate program at the George Washington University or an executive master’s at Paris Dauphine, with courses on financial markets fundamentals, corporate governance, regulatory regimes, and other topics. Then they intern at investment banks, asset management firms, or international organizations like the World Bank Group.



**Photo:** May 2023 graduation ceremony for the ninth cohort of the IFC-sponsored Capital Markets program.