

FINANZIAMENTI DI IFC PER LE IMPRESE ITALIANE NEI MERCATI EMERGENTI

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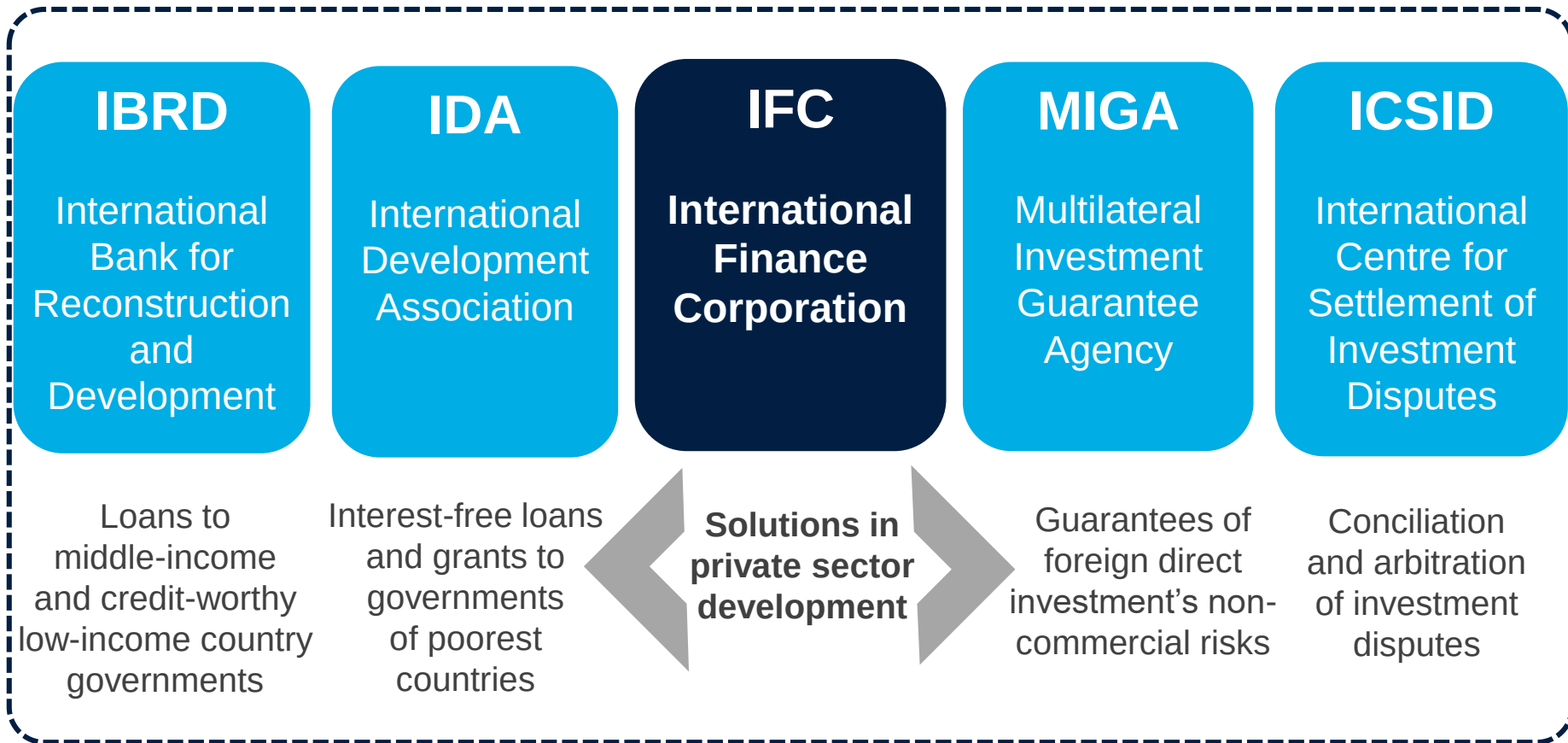


Creating Markets, Creating Opportunities

IFC: A MEMBER OF THE WORLD BANK GROUP



WORLD BANK GROUP



IFC is the largest global development institution focused on the private sector in emerging markets

IFC'S STRATEGY

Maximizing Development Impact, Maintaining Financial Sustainability

FOCUS INDUSTRIES

Infrastructure

Agribusiness

Financial Inclusion
Health and Education

FOCUS CHALLENGES

Climate Finance

Fragility

Digital Economy

FOCUS REGIONS

Africa

MENA

South Asia

CROSS CUTTING: Gender, Disruptive Technology, Developing Local Capital Markets,
Scaling up Mobilization

SUSTAINABILITY

Strong environmental, social, and governance standards are critical to
IFC's business growth and development impact

IFC PERFORMANCE STANDARDS

A Global Benchmark

1 RISK MANAGEMENT

Anticipate risks, avoid, minimize and compensate for any impacts.



2 LABOR

Treat workers fairly and provide safe and healthy working conditions.



3 RESOURCE EFFICIENCY

Promote energy efficiency, use resources sustainably, and cut greenhouse emissions.



4 COMMUNITY

Protect local communities from worksite accidents and other project-related dangers.



5 LAND RESETTLEMENT

Avoid involuntary resettlement and minimize the impact on those displaced.



6 BIODIVERSITY

Protect biodiversity and ecosystems.



7 INDIGENOUS PEOPLES

Protect the rights, dignity, and culture of indigenous populations.



8 CULTURAL HERITAGE

Protect cultural heritage and promote equitable sharing of related benefits.



- No need to meet all 8 standards upfront – most clients meet many of them already
- In areas in which clients do not already profit from international best practice, we agree on a flexible action plan and guide them through the process
- Implementation process is tailored to the client's particular situation

IFC RESULTS FISCAL YEAR 2017

FISCAL YEAR 2017 HIGHLIGHTS

\$19.3 billion in long-term investment:

- **\$11.9 billion** for IFC's own account
- **\$7.4 billion** mobilized

\$55 billion committed portfolio

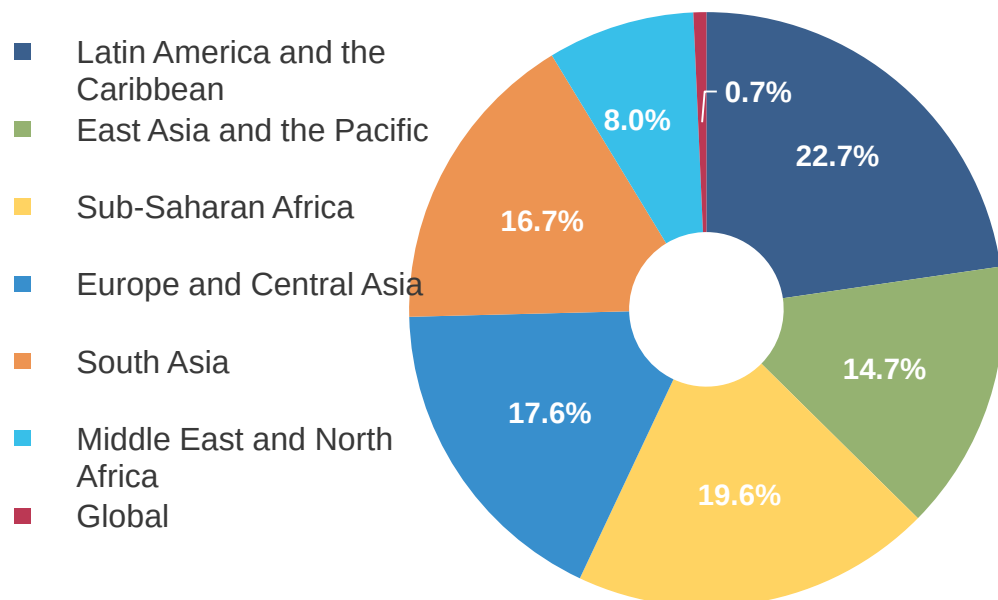
\$4.6 billion invested in IDA countries

Advice:

- **63%** of program in IDA countries,
- **20%** in fragile and conflict-affected areas,
- **33%** in sub-Saharan Africa,
- **26%** climate-related.

FY17 LONG-TERM INVESTMENT COMMITMENTS BY REGION

COMMITMENTS FOR IFC'S ACCOUNT: \$11.9 BILLION

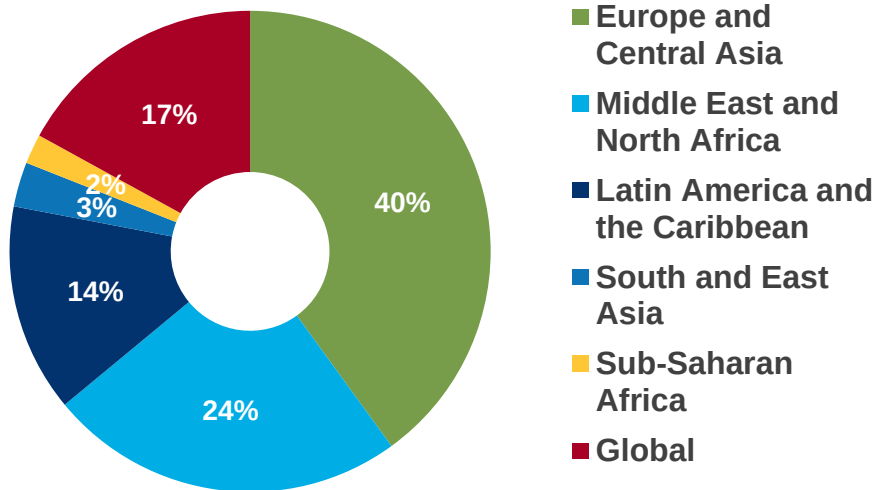


More than 100 regional offices present in **94 countries** worldwide

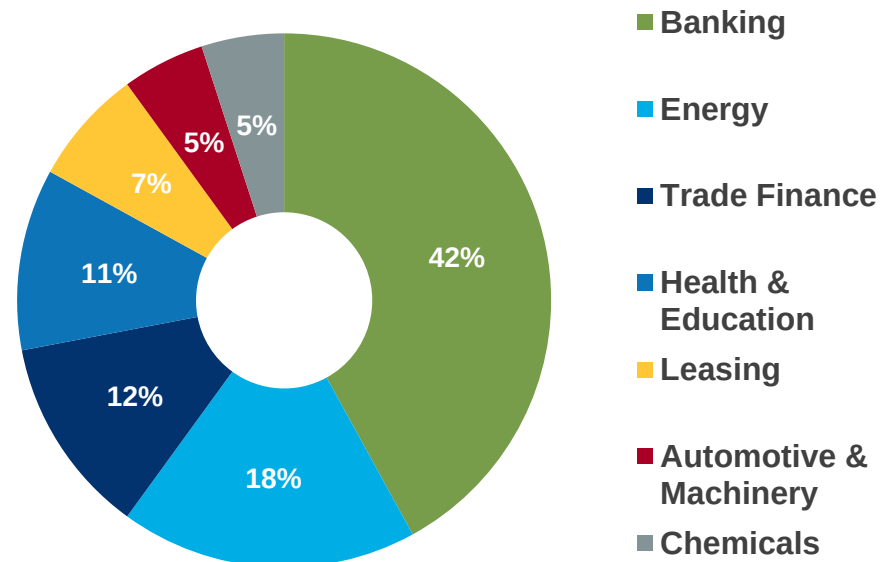
IFC'S WORK WITH ITALIAN SPONSORS

\$1.4 billion committed portfolio as of December 31st, 2017
Among the top 5 largest exposures in Western Europe

Exposure to Italian sponsors by Region



Exposure to Italian sponsors by Industry



INVESTMENT PRODUCTS

Loans

- Project and corporate financing
- On-lending through intermediary institutions

Equity

- Direct equity investments
- Private equity funds

Trade and Commodity Finance

Guarantee of trade-related payment obligations of approved financial institutions

Syndications

- Capital mobilization to serve developmental needs
- Over 60 co-financiers: banks, funds, DFIs

Derivative and Structured Finance

Derivative products to hedge interest rate, currency, or commodity-price exposures of IFC clients

Blended Finance

Using donor funds to crowd in private financing

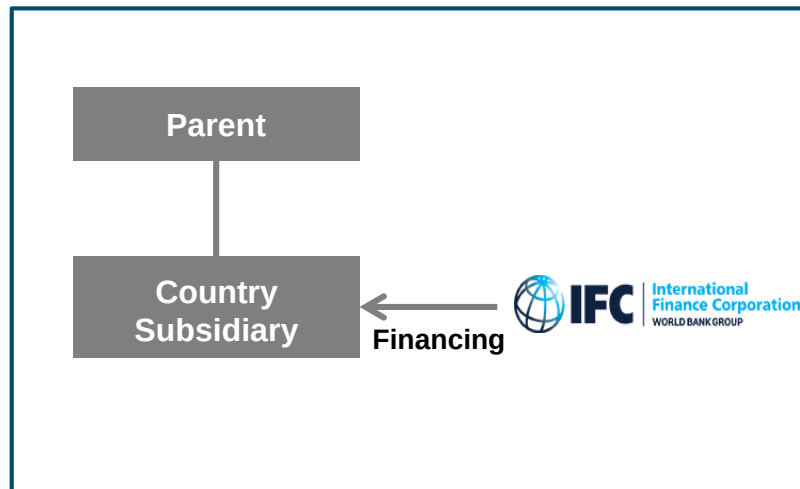
PROJECT / SUBSIDIARY FINANCE

Client Needs

- Long term project/subsidiary financing not available in local financial market
- Local currency financing to provide natural FX hedge
- Comfort to penetrate new markets



IFC Solution: Long term financing at project/subsidiary level



Main Features

- Financing up to 25% (greenfield) or 50% (brownfield) of total project cost
- Possibility to include working capital financing
- Sponsor support at least until project completion
- Possibility of equity investment if there is strong growth strategy and clear exit

IFC Benefits to Clients

- ✓ Long term funding - maturity and grace period tailored to project needs
- ✓ Financing in \$, €, and 40+ local currencies
- ✓ Diversified source of funding available across economic cycles
- ✓ Possibility to mobilize additional financing (syndicated debt, equity funds, etc.)
- ✓ No withholding tax
- ✓ IFC stamp of approval

CORPORATE / HOLDING FINANCE

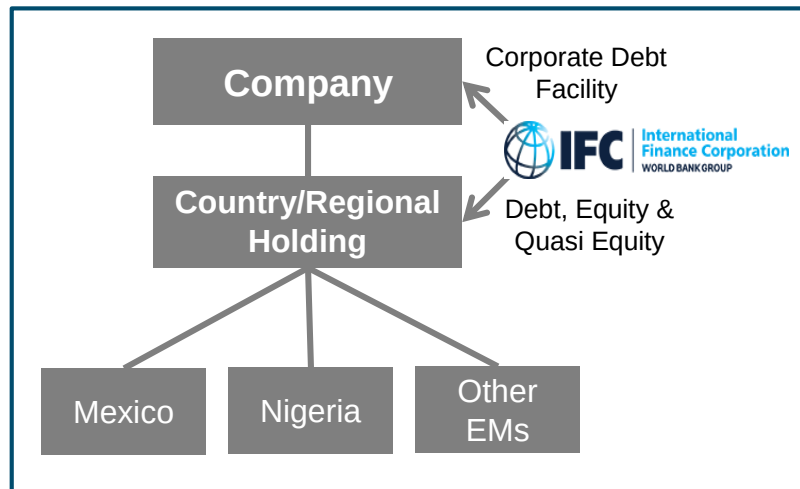
Client Needs

- Reputable partner to enter and expand in new markets
- Sharing risk of emerging market expansion
- Additional capital



IFC Solution:

Debt, Equity and/or quasi-equity financing in holding for country or regional operations



Main Features

- Equity: IFC can invest up to 20% equity (up to 49% with IFC subsidiary fund), with exit identified (IFC to be minority investor)
- Quasi-equity: high return mezzanine/high yield debt
- Corporate debt facility dedicated to emerging markets
- Client needs to keep sizable % of equity

IFC Benefits to Clients

- ✓ IFC has appetite for emerging market risk sharing
- ✓ IFC stamp of approval
- ✓ Access to capital (IFC Equity + AMC)
- ✓ Access to IFC network and client portfolio
- ✓ Access to IFC market knowledge and expertise

ACQUISITION FINANCE

Client Needs

- Long term capital to support strategic acquisitions that drive outsize growth and operational synergies
- Reliable financing partner to support expansion in emerging markets
- Opportunity to source additional capital through direct co-investments into the acquisition target by the financing partner



IFC Solution:

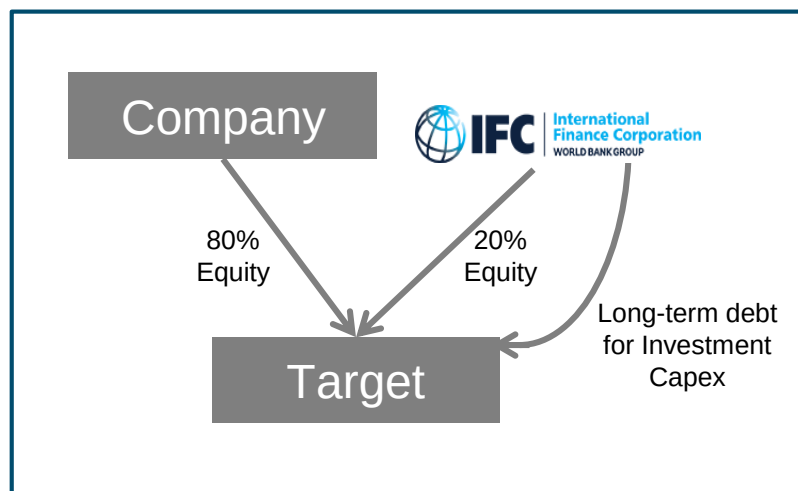
Equity and debt capital commitments to finance strategic acquisitions in emerging markets

IFC Benefits to Clients

- ✓ IFC has appetite for emerging market risk sharing
- ✓ IFC stamp of approval
- ✓ Access to capital (IFC Equity + AMC)
- ✓ Access to IFC network and client portfolio
- ✓ Broad suite of equity and debt products

Main Features

- Debt or equity financing for strategic acquisitions in emerging markets
- Direct equity investments in acquisition targets with strong growth potential
- Mobilization of additional capital through AMC (IFC's Asset Management arm) for compelling investment opportunities



GLOBAL TRADE SUPPLIER FINANCE (GTSF)

Client Needs

- A stable and reliable supply-chain requires adequately-financed suppliers
- Short term financing is needed for small- and medium-sized suppliers with limited banking relationship and credit lines



IFC Solution: Short term supply chain financing

IFC Benefits to Clients

- ✓ Improve treasury position and financial strength of suppliers.
- ✓ Does not use buyer credit lines with relationship banks
- ✓ IFC can either work through an independent or bank-owned platform
- ✓ Provide specialized on-boarding/training for suppliers

Selected Buyers



PERRY ELLIS
INTERNATIONAL



Selected Platform



Main Features

- Financing without-recourse and unsecured basis to suppliers
- Discount of invoices accepted for payment (post-shipment & post acceptance) by pre-approved buyers
- Market-based pricing
- Tenors up to 180 days
- Click-through agreements among buyers, suppliers, platform and IFC

Covered Risks

Transfer and Convertibility Restriction

- Inability to convert or transfer dividends or loan payments due to FX restrictions

Breach of Contract Cover

- Failure of government to honor obligations under contractual agreements and subsequent failure to honor arbitral award (e.g. PPA, Shareholders agreement)

Expropriation Cover

- Government nationalizes or otherwise makes it impossible to operate the project through discriminatory measures

War and Civil Disturbance Cover

- Destruction or interruption of business due to political violence

Covered Projects

Eligible investments

- Cross-border from one member country (developed or developing) into another developing member country
- Primarily greenfield investment but also existing investment

Investment types

- Equity; Shareholder loans; Loan guarantees; Non-shareholder loans (as long as they relate to a investment/project with some form of direct investment); Non-equity direct investment (e.g. management and turnkey contracts); Capital market transactions

Added Value

Strong pre-claim management

- Management of risks at pre-claim level (100+ pre-claims among over 750 projects. Two claims paid for expropriation, four for war and civil disturbance)
- Leveraging the World Bank network

Strong risk Appetite

- Operates in challenging markets
- Longer tenors (up to 20 years)

HOW TO WORK WITH IFC?

To be eligible for IFC funding, a project must meet a **number of criteria**:

- ✓ Be located or have operations in a **developing country** that is a member of IFC;
- ✓ Be in the **private sector**;
- ✓ Be **technically sound**;
- ✓ Have good prospects of **being profitable**;
- ✓ **Benefit the local economy**; and
- ✓ Be **environmentally and socially sound**, satisfying our environmental and social standards as well as those of the host country.

IFC does not lend directly to micro, small, and medium enterprises or individual entrepreneurs, but many of our investment clients are financial intermediaries that on-lend to smaller businesses.

If these conditions are met, IFC will be able to finance:

- ✓ **Up to 25%** of the total cost of the project,
- ✓ A **minimum ticket size of \$5 million** in the most fragile markets or \$10 million in other emerging markets.

INVESTMENT PROPOSALS

APPLICATION PROCESS

There is no standard application form for IFC financing. A company or entrepreneur, foreign or domestic, seeking to establish a new venture or expand an existing enterprise can approach IFC directly by submitting an investment proposal.

Proposals can be submitted to IFC's industry departments; regional departments at IFC headquarters in Washington; or the regional field office closest to the location of the proposed project.

An investment proposal should include the following preliminary information:

- ✓ Brief **description** of project;
- ✓ **Sponsorship**, management & technical assistance;
- ✓ **Market & sales**;
- ✓ **Technical feasibility**, manpower, raw material resources & environment;
- ✓ **Investment requirements**, project financing, and returns;
- ✓ **Government support & regulations**;
- ✓ **Timetable** envisaged for project preparation and completion.

Further details are available on [IFC's website](#).



WHAT CLIENTS VALUE ABOUT IFC

Results of IFC Client Survey



They work with IFC



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SAMPLE OF PROJECTS WITH ITALIAN SPONSORS

	<p>\$34 million mix of senior loans and subordinated debt to Enerray, a subsidiary of SECI Energia, financing package added a further \$29 million mobilization</p> <ul style="list-style-type: none"> ▪ <u>Use of proceeds</u>: Financing three solar photovoltaic plants totaling 90MW capacity as part of IFC's Nubian Suns Feed-in-Tariff Financing Program which involves the construction of 13 solar photovoltaic projects in Egypt with a total capacity of up to 752MW, and is the largest private sector financing package for a solar facility in the MENA region. ▪ <u>Impact</u>: Providing cost-effective and eco-friendly power to over 300,000 residential customers and generate up to 5,000 jobs during construction. ▪ <u>Sector</u>: Renewable Energy
	<p>\$34 million local currency loan to Recordati Ilaç, the Turkish subsidiary of Recordati S.p.A</p> <ul style="list-style-type: none"> ▪ <u>Use of proceeds</u>: Financing the construction of Recordati Ilaç's new production facility in the Istanbul region. ▪ <u>Impact</u>: Increasing the availability of quality pharmaceuticals produced locally and support the transfer of industry best practices ▪ <u>Sector</u>: Pharmaceuticals
	<p>\$100 million long-term senior loan to AlexBank, Intesa Sanpaolo's subsidiary in Egypt</p> <ul style="list-style-type: none"> ▪ <u>Use of proceeds</u>: outreach to SMEs and sustainable energy finance. ▪ <u>Impact</u>: improving access to finance for an underserved market segment by supporting the bank in expanding its SME and sustainable energy finance outreach. ▪ <u>Sector</u>: Financial Institutions

THANK YOU

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