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IFC continues to support private sector development in Europe and Central Asia

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IFC, a member of the World Bank Group, expanded its operations in Europe and Central Asia with investment commitments that reached US\$2.9 billion driving the diversification of the region's economies, promoting access to finance for small businesses and tackling climate change.

IFC invested US\$2.26 billion from its account and mobilized another US\$0.68 billion from other investors during its fiscal year 2018, which ended in June 30. The investments were geared at helping the region's financial sector increase its loans to small and medium-sized enterprises, support women-owned businesses, develop agribusiness and improve the region's urban infrastructure. IFC also supported US\$1.8 billion of cross-border trade in the region through 28 banks participating in its global trade finance program.

IFC's largest commitments during the last fiscal year were Turkey (US\$1.1 billion), Romania (US\$336.4 million), Serbia (US\$190.5 million), Ukraine (US\$129.1 million) and Kazakhstan (US\$111.5 million). Some landmark transactions include EUR 108 million in financing to boost Serbia's production of renewable energy through windfarms, US\$120 million in loans to increase the productivity of Ukraine's agribusiness sector and a US\$75 million investment to support women entrepreneurs in Turkey.

Wiebke Schloemer, IFC's director for Europe and Central Asia, said that for the coming years IFC's focus on the region will be "on supporting the development of the fledging private sector in some of the poorest and conflicted-affected countries in the region while also continuing to work in middle income countries to promote innovation and competitiveness, energy efficiency and sustainable urban infrastructure."

IFC also implemented 79 advisory projects in the region which focused on improving business regulations, working with the private sector to fight climate change and helping local companies improve their corporate governance, and environmental and social practices.

During the next fiscal year, IFC will continue to focus on high-impact projects that can help mitigate climate change, promote financial inclusion and create new jobs.

Here are a few highlights from the past fiscal year:

- ▶ IFC issued the first Uzbek Soum-denominated bond in the international markets, raising UZS 80 billion - US\$10 million equivalent - to expand lending for micro, small and medium enterprises in Uzbekistan.
- ▶ IFC completed a pilot cities program, supporting 10 urban infrastructure projects and facilitating financing in the amount of €278 million.
- ▶ IFC invested US\$75 million in the first private bank gender bond to support women entrepreneurs in Turkey.
- ▶ IFC helped establish a US\$150 million energy efficiency fund in Ukraine to modernize homes.
- ▶ IFC invested US\$120 million in agribusiness in Ukraine.
- ▶ IFC facilitated Turkey's first EDGE Green Building Certification awarded to Greenox Building in Istanbul.
- ▶ IFC provided €107.7 million to boost Serbia's production of renewable energy through windfarms.

- ▶ IFC created opportunities for private sector investments of US\$340 million in sustainable cotton farming in Uzbekistan.

