



Newsletter of the

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# European Development Finance Institutions

**EDFI, the network of 15 the European Development Finance Institutions**

## Who is EDFI?

EDFI is the Association of European Development Finance Institutions, a group of 15 bilateral institutions which provide long-term finance for private sector enterprises in developing and reforming economies. Since its foundation in Brussels in 1992, EDFI's mission has been to foster co-operation among its members and to strengthen links with institutions of the

## EDFI and International Finance Institutions Pledge Increased Collaboration to Accelerate Development of Local Capital Markets

Representatives of EDFI and seven international finance institutions vowed to increase collaboration and improve coordination to accelerate the development of local capital markets and increase access to local currency finance in emerging markets.

Ahead of the 2013 Spring Meetings of the World Bank Group-International Monetary Fund in Washington, D.C., senior officials of the European Development Finance Institutions, the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, International Bank for Reconstruction and Development, and International Finance Corporation discussed collaboration on specific initiatives to promote local capital markets and local currency financing.

Institutions of the European Union.

## 2012 figures

The consolidated portfolio of the EDFI members at the end of 2012 was €26 billion, invested in 4 705 projects.

In geographical terms, 30% of the global portfolio was in the ACP region and South Africa, 27% in South-East Asia, South-Asia and China, 20% in South and Central America and 23% in remaining regions eligible for investments.

## EDFI members

BIO—Belgium  
CDC—United Kingdom  
COFIDES—Spain  
DEG—Germany  
FMO—The Netherlands  
FINNFUND—Finland  
IFU—Denmark  
Norfund—Norway

For more information, please visit the [EDFI website](#)

## Finnfund and Norfund: Bringing forest cultivation work to rural Africa



Africa contains many regions suitable for forest cultivation but still has relatively few well-managed plantation forests. A pioneer in this field is Green Resources AS. GRAS has been planting forests in Tanzania, Uganda and Mozambique since the mid-1990s.

One of its strategies is long-term leasing of land from local communities. Forest management provides work and income for the

OeEB—Austria  
PROPARCO—France  
SBI-BMI—Belgium  
Sifem—Switzerland  
SIMEST—Italy  
SOFID—Portugal  
SWEDFUND—Sweden

Full contact details are available on <http://www.edfi.eu>



### **EDFI members in the press**

*DEG : \$20m In Ghanaian Microfinance Bank, Venture Africa*

*FMO: FMO finances Zambian agribusiness, Trade Finance*

*FMO: Azura Power to Raise \$700 Million to Build Nigerian Plant, Bloomberg*

communities. Forest management provides work and income for the rural poor. GRAS trains employees and thus transfers skills to the local community. It employs about 4000 workers. If family members and indirect jobs are taken into account, GRAS provides livelihood for several tens of thousands of people. It also participates in the development of local infrastructure.

Finnfund, Norfund and the IFC have provided finance for GRAS. The participation of development finance institutions is important during the expansion because it would be difficult to obtain finance from commercial sources.

**For more information, please consult Finnfund's website**

## **Gestamp Solar to build solar plant in South Africa with COFIDES financial support**



Gestamp Solar and COFIDES reached an agreement whereby COFIDES will provide five million euro for the construction and operation of a 20-MWp power plant in Northern Cape, South Africa. Financing this operation will allow Gestamp Solar to

collaborate in a renewable energy development project currently taking place in South Africa. This plant will be installed on a site located 1,000 meters above sea level and will feature 89,760 230-watt polycrystalline plates. The project will generate 1,230 jobs during the plant construction.

*IFU: Danish Firm Aims to Improve Health, Environment in Mozambique, CSR Wire*

*IFU and Norfund: US\$ 151 million Kenya wind power loan, KHL*

*Norfund and FMO: NMBZ seals US\$16m deal, The Zimbabwe Mail*

*OeEB: German scheme becomes first private investor in climate initiative, IPE*

*Proparco: French financial institution Proparco enters Armenian market, Panarimenien*

*DEG and Proparco: NSL Renewable raises \$60 m, The Hindu Business Line*

*DEG and Proparco: Takoradi II power plant expansion begins, ESI Africa*

*Simest: Exprivia invests in Brasile con Simest, Ansa*

**For more information about this project, please visit Cofides' website**

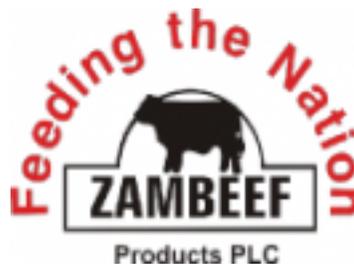
## **Swedfund invests in East African healthcare company**

With the investment from Swedfund AAR Healthcare will expand with several new clinics geographically increasing healthcare accessibility in East Africa, and expand service offerings to further increase quality of service to customers.

AAR Healthcare has over 25 years of experience operating as a leading healthcare provider in East Africa. The expansion will enable the company to employ another 300 people in the next 3 years.

**For more information, please consult Swedfund's website**

## **FMO and DEG finance a leading integrated agribusiness company in Zambia**



FMO and DEG provided a senior debt facility to Zambeef Plc. Zambeef Plc. is a leading integrated agribusiness company in Zambia, involved across the value chain (production, processing, distribution and retailing) of beef, chicken, pork, dairy products, edible oils, stock feed, grains, flour and bread. The funds will be used to further develop the edible oils activities of Zambeef Plc.

Zambia is one of the 55 poorest countries. By supporting the expansion of its operations, employment generation is realized in a country with relatively high unemployment rates. Also, due to increased production, consumers will benefit from better access to affordable food products.

**For more information, please FMO's website**

## **DEG accompanies HAVER & BOECKER Group to Latin America**

DEG will provide the medium-sized company H&B HOLDING AMERICAS Ltda., with a long-term loan of 6 million US-dollars for the expansion of the company's activities in Latin America.



The company intends to strengthen its position in Brazil, Chile and Mexico by investing in property, buildings, machinery and IT-systems. Furthermore, the set-up of the company's first location in Brazil for the division wire weaving is planned. Given that production and operation of the specialised machinery requires high-quality training and know-how, the company heavily invests in qualification of its staff and offers a great number of training measures.

**For more information, please visit DEG's website**

## **FMO invests in Au Financiers in India**



FMO, the Dutch development bank, has today announced a new investment providing up to US\$20m to Au Financiers (AUF), a non-bank finance company (NBFC) in India. AUF

specializes in providing finance to entrepreneurs for the acquisition of small and medium-sized commercial vehicles. FMO was the lead arranger of a joint facility with other lenders who will together provide up to US\$60m to the company.

Not only will the investment from FMO be used to expand AUF's commercial vehicle finance business, but it will also help the company grow in new business segments such as lending to small and medium-sized enterprises (SMEs) and affordable housing finance. The facility will directly contribute to the creation of 2,000 jobs at AUF as well as thousands more through its client base of SMEs.

AUF's core business offers collateralised loans for commercial vehicles to clients who are typically first-time entrepreneurs located in under-banked rural and semi-urban areas. The commercial vehicles, including tractors, trucks, vans, cars and two- and three-wheeled vehicles, are used for productive purposes such as agriculture and transport. As well as providing finance for commercial vehicles, AUF provides finance to small businesses such as shopkeepers, manufacturers and traders with a successful track record, but with limited income documentation.

**For more information, please consult FMO's website**

**DEG and SoWiTec promote wind power in**

## Mexico

To further develop Mexico's wind energy sector, DEG provided the German SoWiTec group with four quasi-equity loans to the total amount of \$8.75 million. SoWitec will develop four wind parks to extend Mexico's capacity for power generation from renewable energy sources by a total of 700 megawatts, thus reducing CO2 emissions by 1.6 million tonnes each year.

**For more information, please consult DEG's website**

## Logisfashion expands its facilities in Mexico with COFIDES financing



COFIDES will finance 350,000 euro through a joint-venture loan for the expansion of Logisfashion facilities in Mexico. Based in Barcelona, Logisfashion is devoted to clothing logistics. Its current international presence includes Chile, Mexico and

China. COFIDES funding will provide the Spanish company to carry out this strategic project, which will strengthen its presence in Mexico. The project will involve 25 percent increase of installed capacity in this Latin American country, which will allow facing the demand for business in the country.

**For more information, please consult Cofides' website**

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