



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

## FMO, Finnfund and other partners invest in Althelia



**althelia**  
ecosphere

Althelia Ecosphere announces the first round closing of its Althelia Climate Fund, a public-private partnership that will deliver multi-benefit greenhouse gas (GHG) reductions, with a focus on sustainable land use and payment for ecosystem services (including forest carbon, or REDD+i). The Fund is structured as a Luxembourg SICAV-SIF, and will be managed by its Luxembourg-based General Partner, Althelia Climate Fund GP, and advised by its London-based subsidiary,

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  
OeEB—Austria

Climate Fund GP S.a.r.l, and advised by its London-based subsidiary, Ecosphere Capital LLP. First round subscriptions total in excess of EUR60 million (US\$80m) and include leading private and public sector institutions, such as the Church of Sweden, the European Investment Bank, Finnfund and FMO. Over the next twelve months, Althelia expects to raise additional capital, targeting an overall level of EUR150-200 million for the Fund.

For more information, please consult [FMO's website](#)

## Wind power company Cabeólica wins global green award

Cape Verde's Cabeólica is one of the winners in the 2013 **Ashden Awards**, the world's leading green energy prize. The public-private partnership has been recognized for its pioneering work in generating wind energy for the island state. Finnfund is one of the main shareholders of the project.

Small islands around the world face dependence on imported fuel combined with crippling import costs.

Harnessing Cape Verde's plentiful Saharan winds to feed into the national grid has helped to reduce the island's diesel import costs and increased the islands' energy security. Investing in wind is also helping



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

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Cape Verde to retain local talent. Cabeólica is staffed entirely by Cape Verdeans, some of whom have returned from overseas to take up technical jobs with the company.

In its first year of commercial operation, 25.5 MW of wind farms have generated over a fifth of the electricity used on the country's four main islands – reaching more than 30 percent on two islands. As such, Cape Verde is leading the way among small island states in generating power from wind.

For more information, please consult [Finnfund's website](#)

## **FMO invests in Dlo Haiti, a new water distribution company in Haiti**



FMO invests in Dlo Haiti, a new water distribution company. The investment will help build a network of kiosks to provide underserved Haitian communities with access to affordable, safe drinking water while also creating job opportunities. The investment is made together with the International Finance Corporation (IFC), the Leopard Haiti Fund and Miyamoto International.

In Haiti, access to piped water systems is generally very limited, serving only about a third of Haiti's urban poor and less than a third of its rural poor. The alternatives provided by water delivery companies are often unreliable and expensive. By establishing kiosks where water is

purified on site and distributed to nearby communities, Dlo Haiti can provide a cheaper, cleaner water source that is more convenient to consumers. In addition, Dlo Haiti is expected to create, approximately 600 direct and indirect jobs for Haitians who will be employed both at the kiosks and as distributors and delivery agents.

**[For more information, please consult FMO's website](#)**

## **DEG finances hospitals in India**

Only 0.9 hospital beds per 1,000 inhabitants: With this figure, India ranks 136 out of 186 countries on the UN "Human Development Index". China, by comparison, has 4.2 beds per 1,000 inhabitants. As in many emerging and developing countries, public hospitals in India are unable to cover the growing treatment demand. This is why DEG has provided the private hospital operator Ivy Health and Life Sciences Pvt. Ltd (Ivy) with a quasi-equity loan of 10 million euros. With its financing, DEG supports the growth of the enterprise: by the end of 2014, four new hospitals with more than 600 beds are to be built in the Indian state of Punjab. At present, Ivy is already operating three hospitals in the rural north of India, where health care supply is particularly poor. The company treats more than 50,000 patients there every year. Ivy is certified with the Indian quality seal of the National Accreditation Board of Hospitals (NABH). The NABH demands high standards for hospitals, for example with regard to medical care and patient care as well as corporate governance. Moreover, Ivy offers free treatment and health care advice for socially disadvantaged people and informs about health care and prevention issues, for example on the topic of breast cancer.

**[For more information, please consult DEG's website](#)**

## Marsan and Izmar Expand in Mexico with COFIDES' Financial Support



COFIDES offered its financial support for the implementation of a manufacturing plant for electrostatic painting and logistics solutions for the automotive industry in Celaya Mexico.

COFIDES will fund this project through a joint venture loan

worth 500,000 euro from COFIDES' own resources. Together with the promoters' contribution -Marsan Transformaciones Superficiales, S.L. & Izmar S.L.U.-the project total investment will reach 1,100,000 euro.

**[For more information, please consult Cofides' website](#)**

## CDC backs Cordiant Fund to bring loan finance to businesses across Africa and Asia

CDC is backing the Cordiant Emerging Loan Fund IV (CELF IV), managed by Cordiant Capital. The fund, which is seeking to fill the gap left by the withdrawal of western banks in emerging markets, will focus on providing debt finance to projects, companies and banks across a wide range of sectors, usually in the form of senior, secured loans.

CDC's US\$50 million commitment has helped Cordiant Capital raise US\$250m for CELF IV. Lending by local banks to businesses in

developing countries is too frequently of shorter tenors than is needed. CELF IV will aim to provide long-term debt funding to firms across the emerging markets, although CDC's commitment will only target firms in Africa and South Asia.

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

## **FMO arranges a USD 60 million syndicated loan facility for AccessBank in Azerbaijan**

AccessBank has attracted a USD 60 million syndicated loan facility arranged by FMO, the Development Bank of the Netherlands.

The transaction was signed on Tuesday 11th of June.

Other lenders under the FMO syndicated loan facility are OeEB, the Austrian

Development Bank, and PROPARCO, the French Development Bank who joined as participants. The transaction is the largest refinancing package AccessBank has received from an international lender consortium in its ten years history.

The loan will support AccessBank to further expand its lending activities to micro and small businesses. Through its extensive branch network the Bank expects to distribute large portions of the attracted funds to regional businesses, particularly in rural areas, thereby supporting job creation and economic development in the regions of the country.



[For more information, please consult FMO's website](#)

## **COFIDES supports the implementation of a production plant in Romania**



Compañía Española de Financiación del Desarrollo, COFIDES S.A., will fund Manufactura Moderna de Metales S.A. 800,000 euro for the implementation of a production plant in Romania. COFIDES chairman, Salvador Marín, and Manufactura Moderna de Metales, S.A.

CEO, Jordi Priu signed an agreement whereby COFIDES is to fund this company through a joint venture loan provided by the Fund for Foreign Investment (FIEX), which COFIDES manages exclusively for the Ministry of Economy and Competitiveness via the State Secretariat of Trade.

Together with the promoter's contribution, the total investment is 1,3 million euro. With this project, MMM will implement on the Romanian market a new line of surface treatment business to serve the company in Spain and potential clients situated in Romania.

[For more information, please consult Cofides' website](#)

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