



CDP's Financial Instruments for Development Cooperation

Cassa Depositi e Prestiti
Investiamo nel domani

About CDP Group

CDP Group has a traditional institutional role supporting the Italian economy.

in recent years however, CDP has significantly expanded its range of activities, operating globally since 2009, also through **Sace and Simest** since 2012.

Since 2019, the new **CDP Development Finance division supports private investments in Developing Countries.**



Financial Highlights

Total Assets¹

512 EUR Mld

Loans²

107 EUR Mld

Postal Funding²

275 EUR Mld

Equity¹

34 EUR Mld

Equity Investments²

35 EUR Mld

Non-postal Funding²

104 EUR Mld

Shareholding structure³



83%

Ministry of
Economy and Finance

16%

Bank Foundations

CDP Development Finance



Who we are

A new division covering development investments towards private counterparties, created in the context of CDP Group's Business Plan 2019-2021



Our mission

to offer a vast range of financial products to private corporates, aiming at promoting sustainable growth in developing countries



What we do

Lending to Corporate and Financial Institutions, also on a project finance and a structured finance basis, equity and fund investments, *blending* of European and other international partners' resources

Our offer to private companies



We finance **your investments** in developing countries



We finance **your local partners** in developing countries



We finance the **value chain of your business** in developing countries

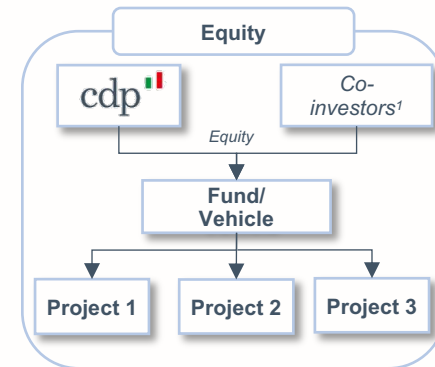
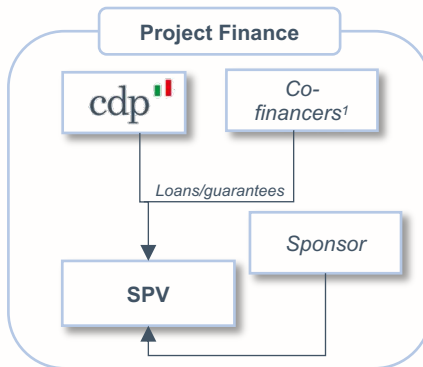
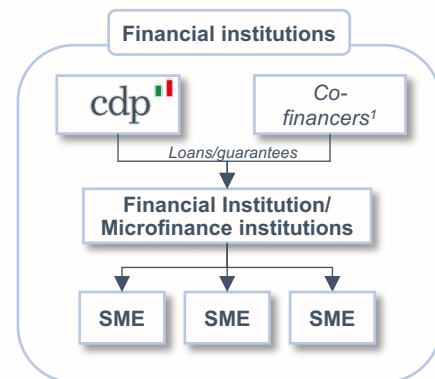
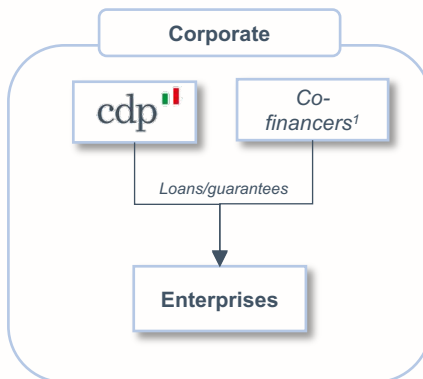
The structure of our intervention

Intervention Criteria

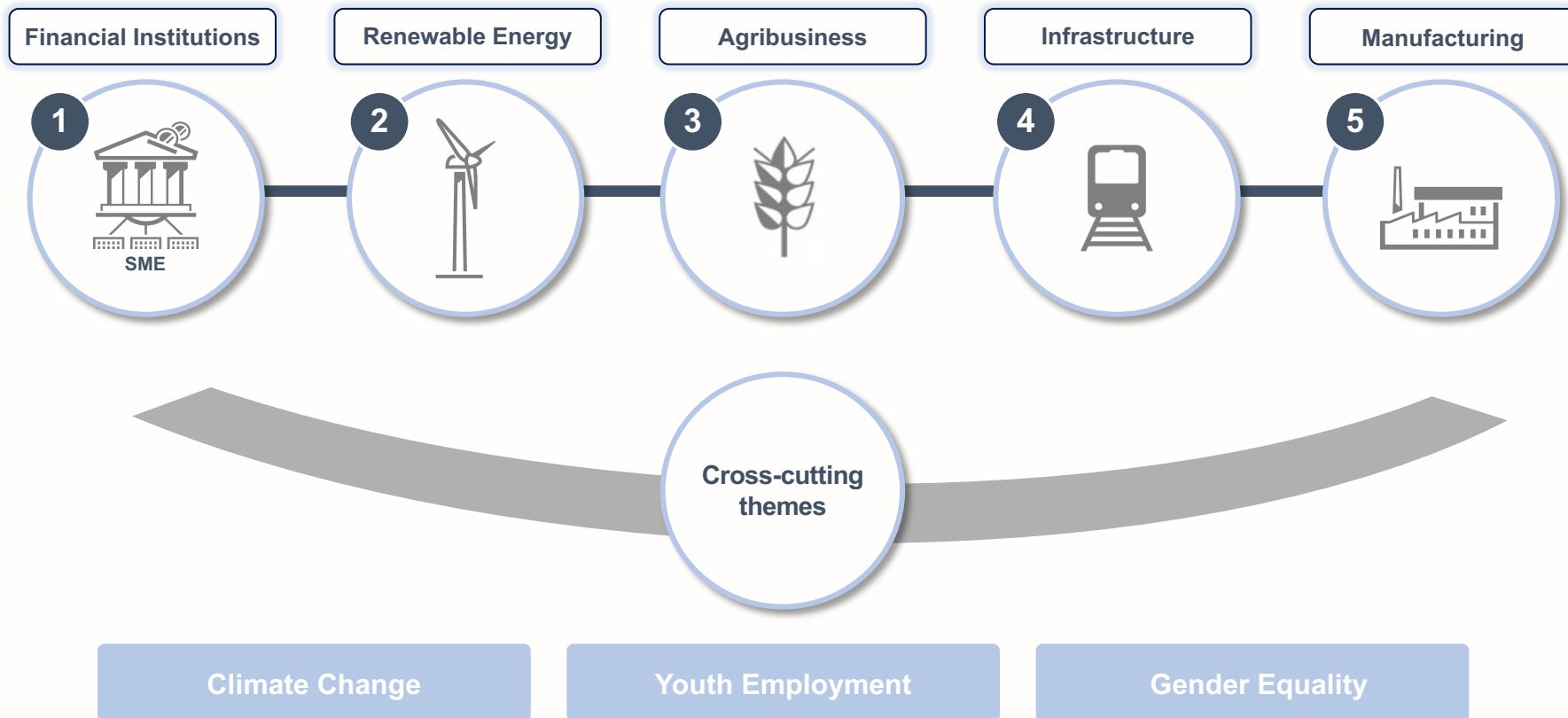
CDP Development Finance has an **obligation to cofinance ($\leq 50\%$)** with DFIs, MDBs² and/or other financial institutions, **unless the borrower is an Italian company** (or its local subsidiary)

SMEs financing should be **intermediated by financial institutions or investment funds**

Modalities of Intervention



Main industries of interest for CDP Development Finance



Ghana Cocoa Board Financing

In 2020 CDP, African Development Bank, JICA, Development Bank of Southern Africa and other commercial banks, participated as lenders in a USD 600 mln funding facility in favor of Cocobod, the main state-run operator in the ghanian cocoa industry.

The company is in charge of purchasing the cocoa beans from over 800.000 local smallholders to then operate as the sole exporter of raw cocoa beans produced in the country (approx 900.000/ t. of cocoa beans per year).

The loan was inteded to support the roll out of 8 Productivity Enhancement Programmes that will allow, *inter alia*:

- (i) Direct creation of over **30.000 jobs** and
- (ii) Development of **local warehousing and processing capabilities**



The Cocoa industry is a strategic sector of paramount importance for Ghana, which accounts for the production of 20% of the world's cocoa beans. However, the industry is still struggling with major challenges limiting the productivity potential.

Automotive Components Plant in South Africa



In 2018, CDP and IFC partnered with CLN, a leading Italian automotive components manufacturer, in order to modernize and expand local production of advanced automotive components for leading car manufacturers in South Africa.

The financing package includes EUR 84m from IFC and EUR 50m from CDP.

The project will directly create 500 new jobs distributed in the 8 production facilities in South Africa. Furthermore, the project will enable the transfer of know-how and technical skills.

Indirectly, the project can help create new jobs along the automotive value chain also having a positive impact on the supply chain estimated at more than EUR 600m.

The project will also contribute to an increase in the competitiveness of the automotive sector through product and process innovation and greater manufacturing complexity.



Blending of European and other international partners resources



Blending is the combined use of CDP's own resources with grants/concessional funding, which allows to mobilise additional resources and to reduce the *cost of funding* for the beneficiary

Main national and international partners



Blending can be structured as:

- **co-investment**
- **Resources for technical assistance**

National Blending

CDP-MATTM: *Climate and Sustainable Development Italian Platform*

European Blending⁽¹⁾

CDP-EC: *External Investment Plan (EIP)*
EU Blending facilities

International Blending

CDP-Green Climate Fund (CDP is accredited to the GCF since August 2020)

Example of European blending: CDP's initiatives under the External Investment Plan (“EIP”)

The EIP is the EU **long-term strategy launched in 2017** to support investments in Africa and the EU Neighbourhood by providing financial institutions accredited to the European Commission with **budgetary guarantees** and **resources for technical assistance** to develop investment programs

	<i>What?</i>	<i>How and Where?</i>	<i>To Whom?</i>	<i>How to apply?</i>
 InclusiFI	Support for financial inclusion and entrepreneurship in diaspora countries of origin	<ul style="list-style-type: none"> Loans Guarantees <ul style="list-style-type: none"> Africa 	<ul style="list-style-type: none"> Local Micro, small and medium Enterprises (MSMEs) Local Guarantee Funds 	<ul style="list-style-type: none"> Through local banks 
 Archipelagos-ONE4A	Supporting the growth of African companies with high potential through innovative financial instruments (capital market)	<ul style="list-style-type: none"> Loans Guarantees <ul style="list-style-type: none"> Africa 	<ul style="list-style-type: none"> Small and medium-sized local enterprises (SMEs) with high growth potential and with a projection towards international markets 	<ul style="list-style-type: none"> Through local banks and local Stock Exchanges 
   European Guarantee for Renewable Energy	Development of small renewable energy plants	<ul style="list-style-type: none"> Partial Risk Sharing Guarantees¹ Technical Assistance² <ul style="list-style-type: none"> Sub-Saharan Africa 	<ul style="list-style-type: none"> Italian or foreign companies operating in the renewable energy sector at international level 	<ul style="list-style-type: none"> Through CDP or partner IFI 

Thank you for your attention