



RÉPUBLIQUE
FRANÇAISE

*Liberté
Égalité
Fraternité*



PROPARCO

2023

One year, 10 flagship projects



#WorldInCommon

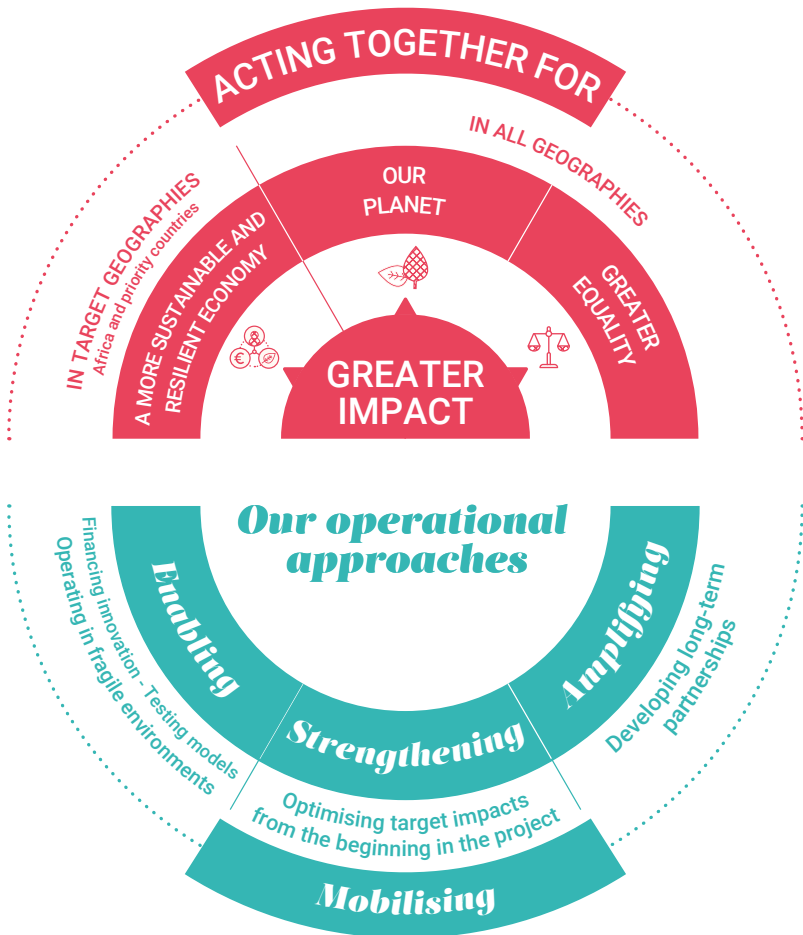
INTRODUCTION

2023, one year, 10 flagship projects

In an international context beset by geopolitical uncertainty and climate emergency, **Proparco's** mission – building a more just and sustainable world by supporting private sector initiatives – has special resonance.

Alongside our clients and partners, we are committed to a new strategic vision for 2023-2027, entitled "**Acting together for greater impact**" and all of the projects we support must meet at least one of these three objectives: **Acting for a more sustainable and resilient economy**, **Acting for our planet**, and **Acting for greater equality**.

Because we work out in the field, we are aware of the specific features and realities of each of the regions in which we operate. Consequently, we adopt differentiated approaches to come up with appropriate solutions to our customers' needs. This is reflected in four key areas of action: **Exploring** new markets and new players, **Strengthening** our customers' ability to generate greater impact, **Amplifying** our customer support over the long term for sustainable and inclusive growth, and **Mobilising** more private sector investors to achieve the Sustainable Development Goals.



10 FLAGSHIP PROJECTS

PLANET

RESILIENCE

INCLUSION



**BRT
DAKAR**
Senegal

**€52.9
million**
(including a €45.9 million loan
and a €7 million subsidy)

Gender equality
Climate

New-generation bus routes to relieve traffic congestion in Dakar

Faced with chronic traffic congestion in Dakar, resulting in unsafe roads, air pollution and greenhouse gas emissions, the Executive Council for Sustainable Urban Transport (*CETUD*) has launched a vast programme to restructure the Senegalese capital's urban transport network. Thanks in particular to the introduction of a Bus Rapid Transit (BRT) system scheduled for early 2024, Dakar will get a fleet of 121 100% electric buses – a first in sub-Saharan Africa.

Two long-term senior loans - totalling €91.8 million - provided in equal parts by Proparco and the Emerging Africa Infrastructure Fund (EAIF), are rounded out by two grants: €7 million from the European Union as part of the Global Gateway strategy, and another secured from the infrastructure development and financing agency PIDG TA, for around €9 million.

With a target of 300,000 passengers a day travelling between the outskirts and the city centre along four lines, Dakar BRT will bring multiple benefits to the people of Dakar and Senegal: a massive improvement in air quality, 1,000 direct local jobs created, with priority given to women and young people, reduced travel times and improved access to workplaces, essential services and the city centre, a safer pedestrian environment, improved safety for women and better accessibility for people with disabilities.





JOLIBA
Cameroon,
Côte d'Ivoire,
Senegal

RESILIENCE

€14 million
Equity investment

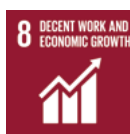
Choose Africa

Supporting the small and medium-sized businesses of the future

Joliba Capital is an African private equity company, majority-owned by LBO France, a multi-specialist and multi-country investment platform. Proparco is investing €14 million as lead investor in Joliba Capital Fund 1 (total amount of €55 million), alongside the IFC (International Finance Corporation, the World Bank's private sector arm) and the Dutch enterprise development bank FMO.

The fund will primarily target investment opportunities in French-speaking countries in West and Central Africa. The aim is to acquire a diversified portfolio of small and medium-sized regional champions looking for equity and operational support across a broad range of consumer-focused sectors, including agri-food, manufacturing, consumer goods, as well as education, healthcare, financial services and logistics. Businesses in French-speaking countries in these regions have historically been less coveted by the private equity market than their English-speaking counterparts.

Joliba Capital places value creation at the heart of its strategy, aiming to generate higher-than-average returns while systematically deploying environmental, social and governance strategies to maximise impact, promote gender diversity and ensure the sustainable growth of its portfolio companies. The project will also support more than 17,000 direct local jobs, nearly 14,000 of which will be filled by women.



**GRAVITA
INDIA LIMITED**
Ghana, Senegal

PLANET

RESILIENCE

**€17
million**
Loan

Climate
Innovation

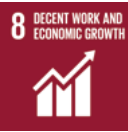
Indian recycling expertise put to work in Ghana and Senegal

Proparco and the Austrian development bank OeEB have teamed up to help fund Gravita Netherlands B.V. (GNBV), the international division of Gravita India Limited. The group is a key player in the lead-acid car battery recycling industry.

Each institution is providing €17 million to finance two new recycling plants in Senegal and Ghana. The aim of the project is to support the group's international development and increase its capacity to recycle new types of waste such as rubber, copper and aluminium. Part of the project funding

is earmarked for the working capital requirements of Gravita's international division, and for refinancing part of the group's debt with loans with longer maturities.

The project, which has obtained the "100% climate" label, will help an industrial player to enhance its E&S strategy through an Environmental and Social Action Plan. In particular, this funding will help to avoid annual emissions of 29,000 of tCO₂ eq, encourage sustainable manufacturing and provide alternatives to extractive industries by feeding the circular economy. It will also help to reduce informal recycling - a major public health and environmental pollution issue - and aims to create over 630 jobs by 2028. Lastly, this project will make it possible to share Indian recycling expertise with African players.



INCLUSION

RESILIENCE



**HORIZON
CAPITAL**
Ukraine

**US\$18.9
million**
Equity investment

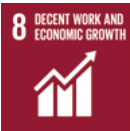
Gender equality
Fragile situation

Supporting the economy and getting reconstruction underway in Ukraine

Horizon Capital is a Kiev-based private equity fund manager investing in Ukraine and Moldova. Since 2006, Horizon has launched five investment funds with total assets of US\$1.6 billion under management. The HCGF IV project primarily targets export-focused companies in the IT sector. This project also meets 4 of the 5 criteria of the «2X Challenge» pro-gender equality initiative. Depending on how the conflict develops, Horizon also plans to invest in companies operating in more traditional market sectors, such as the production of consumer goods.

Horizon will invest between US\$10 million and US\$30 million to acquire minority stakes in between 10 and 15 tech firms. The fund's strategy is to support company growth by providing technical expertise, especially governance and human resources.

The expected impacts of this project with Horizon are twofold: firstly, to support the Ukrainian economy, particularly the IT sector, which will play a key role in reconstruction. And secondly, to generate strong short-term impacts by supporting more than 6,500 skilled jobs in Ukraine and Moldova, thus generating tax revenues and foreign currency inflows for Ukraine.





**SAMA
AL-MANAR**
Iraq

**US\$15
million**
Loan

RESILIENCE

Fragile situation

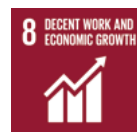
Reinforcing food security and diversifying the Iraqi economy

Proparco, together with IFC and FMO, is helping the agri-food company Sama Al-Manar to develop a new high-tech agro-industrial complex in the Iraqi port of Umm Qasr.

It includes a soya bean milling plant and warehouses. These initiatives will help to enhance food security, create jobs and diversify the country's economy.

Sama Al-Manar, a subsidiary of Turkish group Tiryaki Agro, currently imports and sells maize and soya meal, the main ingredients in animal feed. The new facility will enable the company to at least double its maize imports by 2027 and to start importing raw soya beans. Sama Al-Manar will then process the raw soya beans, producing both soya meal for domestic animal feed and soya oil, which is set to become one of the country's main non-oil exports. Increased local production of competitively priced animal feed will also help develop Iraq's poultry sector.

The expected impacts are really important for this country, which is plagued by conflict: greater food security, thanks to reduced dependence on imports by ensuring access to foodstuffs for local farmers, as well as greater economic diversification. And let's not forget the new opportunities the project represents for creating decent, local jobs.





**ECOBANK
TRANSNATIONAL
INCORPORATED**

Africa,
various other countries

PLANET

**US\$200
million**
Impact loans

Climate

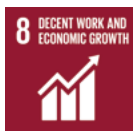
Partnering the ambitious climate strategy of a major pan-African bank

Against the backdrop of COP28 in Dubai, a consortium of European development finance institutions syndicated by Proparco announced the signing of a US\$200 million impact loan to support the Ecobank Group's strategy for sustainable development and combating climate change.

This is the very first Sustainability-Linked Loan granted to a financial institution in sub-Saharan Africa. The loan is linked to major climate commitments, in particular group reporting of climate-related data and the definition of a Pro-Climate strategy. The financial support is rounded out by a climate action plan: Proparco will provide technical assistance over several years to teams from the parent company Ecobank Transnational Incorporated (ETI) to help achieve these ambitious objectives.

Headquartered in Lomé, Togo, ETI oversees 33 banking subsidiaries across Africa. Ecobank is a key player in the sub-Saharan African banking sector, with comprehensive product offerings for SMEs and market-leading financial services. ETI also provides these services in fragile economies.

ETI has committed to producing a climate transparency report to communicate about its green loan policy, exposure to carbon intensive sectors and exposure to physical climate risks. Ecobank Group is also committed to a climate strategy that incorporates sustainable financing targets, greenhouse gas emission reduction targets for its operations and financing, decarbonisation strategies for the most carbon-intensive sectors and an exclusion policy that covers thermal coal mines and coal-fired power plants.





NURU
Democratic
Republic of
Congo

PLANET

**US\$5
million**
Equity investment

INCLUSION

RESILIENCE

Choose Africa
Fragile situation
Off-Grid

Nuru - moving towards clean and affordable energy in DRC

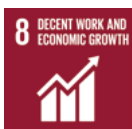
Nuru, the company behind the Democratic Republic of Congo's (DRC) first urban solar photovoltaic network, is a key player in providing access to clean, reliable and affordable energy for people in the east of the country, which is plagued by ongoing armed violence.

Last July, Nuru closed a Series B equity financing programme of more than US\$41 million. This fund will enable Nuru to accelerate the implementation of energy projects with a total capacity of 13.7 MWp. These projects will significantly expand the company's existing operational facilities in eastern DRC and help to address the country's huge energy deficit.

The US\$41 million in funding comes from market-leading equity investors including SFI, Global Energy Alliance for People and Planet (GEAPP), the Renewable Energy Performance Platform (REPP), Proparco, Voltaia and the Energy Access Ventures (EAV) and Gaia impact funds.

The mission of Nuru and its investors is to help develop access to energy while diversifying and decentralising the DRC's energy mix, thereby supporting the aims of the Democratic Republic of Congo's National Strategic Development Plan in terms of renewable energy capacity.

This project will facilitate low-carbon green development by eliminating or replacing highly emission-intensive diesel generators with hybrid solutions based on solar energy (estimated annual reduction of 24,822 tCO₂ eq).





RAXIO
Africa, various
other countries

**US\$40
million**
Loan

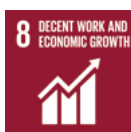
RESILIENCE

Rolling out digital infrastructure in Africa

Raxio Data Centres is a pan-African data centre developer and operator. The group plans to build ten data centres by October 2026 in three phases. Proparco's financing, with an initial debt tranche of US\$40 million, will enable the development of seven data centres representing 11MW of computing capacity in countries where neutral and open-access data centres are rare or non-existent. These include Uganda, Ethiopia, Mozambique, Democratic Republic of Congo, Côte d'Ivoire, Angola and Tanzania.

Proparco was joint lead on this loan for the Emerging Africa Infrastructure Fund (EAIF), part of the Private Infrastructure Development Group (PIDG). The loan agreements include incentives to meet specific sustainability targets, such as the supply of renewable energy or efficient energy and water use. These ESG principles are in phase with the core values and strong commitment of Raxio's shareholders: Roha, the African investment company and founder, and the French operator Meridiam.

These digital infrastructures will provide local communities with a reliable network, which will have a positive impact on local economic development and support almost 100 direct jobs and 1,500 indirect jobs.





**SAHYADRI
FARMS**

India

**US\$11.3
million**

Equity investment

INCLUSION

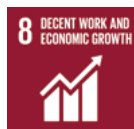
PLANET

Supporting a rapidly-growing Indian agricultural cooperative

In the Indian state of Maharashtra, Sahyadri Farms cooperative supports a network of 24,000 smallholder farmers. It has emerged as one of the leading players in the country's fruit and vegetable sector, as well as one of its biggest international exporters, particularly to the European market. The group is fully integrated across the value chain, from pre-harvest and post-harvest activities (sorting, packaging and processing of fruit and vegetables) to distribution in Indian and international markets.

In 2022, Proparco jointly invested in Sahyadri Farms along with Incofin, FMO and Korys to finance the company's growth strategy. The aim was to develop post-harvest activities by financing new fruit and vegetable processing plants, developing new partnerships, adding new crops and varieties and scaling up the distribution network. In October 2023, Proparco's investments were used to commission a new 1.6 megawatt biogas plant that uses a process based on fermentation of organic matter from agriculture.

From an economic and social perspective, the project is expected to create 4,400 jobs within 5 years and help maintain 84,000 existing jobs. Farmer cooperative members are supported by Sahyadri Farms. They benefit from access to regenerative farming practices and quality equipment, enabling them to increase yields and enhance the quality of their production while reducing farm losses and the use of pesticides and fertilisers. The company provides a digital platform that tells farmers about high-yielding crop varieties, agricultural inputs, weather in real time and market access. In terms of climate, the project recognises a 23% climate co-benefit, reflecting the regenerative farming practices, gradual elimination of coal in steam production thanks to the biomass boilers, the increase in renewable energy production, the potential for waste reduction and efficiency throughout the value chain.





SABESP
Brazil

**US\$95
million**
Guarantee

PLANET

Adaptation
Mitigation

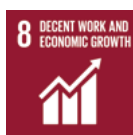
Improving household access to sanitation and helping to clean up the Rio Tietê

Proparco and BID Invest are working with SABESP to improve access to sanitation in the São Paulo metropolitan region and help clean up the River Tietê by extending coverage of collection networks and wastewater treatment plants.

SABESP is a public mixed-capital company in charge of water and wastewater services in the 375 municipalities of the State of São Paulo, with 27.8 million water users and 24.6 million users for wastewater. The São Paulo region is traversed by the Tietê, a river in an advanced state of eutrophication due to wastewater discharges into the natural environment.

BID Invest is providing a local currency loan to SABESP to finance phase IV of the major programme to clean up the Tietê River, which has been underway since the 1990s; Proparco is providing a local currency guarantee to BID Invest. Phase IV of the Tietê programme targets 34 municipalities in the São Paulo Metropolitan Region, with three components: optimising and extending the wastewater network, extension and construction of four wastewater treatment plants, and project management technical assistance.

The project's expected impacts are many and varied: 1.3 million people will benefit from a new or improved sewerage system, reduction of water-borne diseases which have proliferated as a result of climate change, water pollution will be reduced, and more than 65,000 jobs will be either maintained or created.



PROPARCO A DEVELOPMENT FINANCE INSTITUTION WORKING CLOSELY WITH ITS CLIENTS



OVER
45 YEAR'S

EXPERIENCE IN
IMPACT FINANCING

Balance sheet of **€8.2 billion**
at 31/12/2023.



Over 450 employees with
100 working in the field



23 local and regional offices



Present in over 115 countries

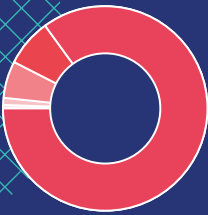


Portfolio of loans and investments
at 31/12/2023: **€7.3 billion**

A WIDE RANGE OF
FINANCIAL SOLUTIONS
THAT ROUNDS OUT
AFD GROUP'S OFFER

SECTOR-BASED EXPERTISE
AND SUPPORT FOR
GREATER IMPACT
VIA OUR PROPULSE
TECHNICAL ASSISTANCE
OFFERING

INTERNATIONAL SHAREHOLDER BASE



- 84.79% Agence Française de Développement (AFD)
- 7.49% International financial institutions
- 6.19% French financial institutions
- 1% Companies
- 0.53% Ethical funds and foundations

December 2023
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