

# Social Bond Impact Report

Financial Year 2020



## About IFC

**IFC – a sister organization of the World Bank and member of the World Bank Group – is the largest global development institution focused on the private sector in emerging markets. We work with more than 2,000 businesses worldwide, using our capital, expertise, and influence to create markets and opportunities where they are needed most. In fiscal year 2020, we delivered \$22 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity, visit [www.ifc.org](http://www.ifc.org).**

# Social Bond Impact Report

**Financial Year 2020**







# Table of Contents

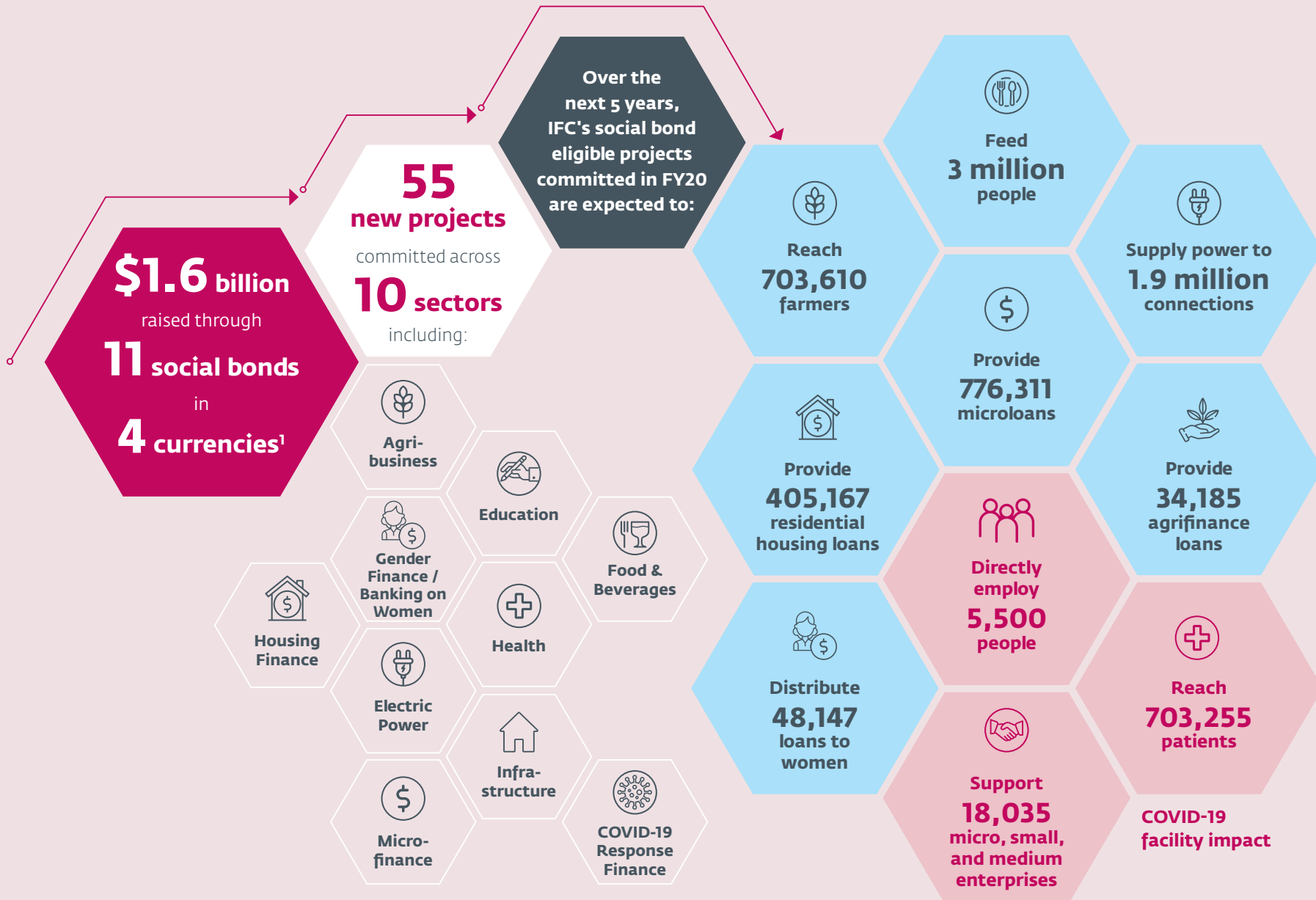
|           |   |
|-----------|---|
| 2         | FY20 Highlights   |
| 3         | Cumulative Highlights   |
| 4         | A Letter from the Treasurer   |
| 5         | 4 Your Information with the VP of Partnerships, Communication, and Outreach                 |
| 6         | What is Eligible for IFC Social Bond Funding?   |
| 7         | IFC Social Bond Program Overview for FY20   |
| 8         | From Pandemic to Systemic Action: How IFC's Funding Program adapted to the crisis           |
| 9         | Views from the Funding Team: The Situation Room   |
| 10        | Commitments and Disbursements by Region   |
| 11        | Commitments and Disbursements by Sector   |
| 12        | IFC Social Bond Market Engagement   |
| 15        | Thought Leadership Feature  |
| 16        | COVID-19 : IFC's Relief Efforts   |
| 19        | Spotlight on Microfinance   |
| 20        | Featured Project: Conclina  |
| 22        | Featured Project: KEP Trust   |
| <b>24</b> | <b>Social Bond Eligible Project Commitments for FY20</b>                                    |
| 34        | Appendix A: IFC Social Bond Program Process   |
| 38        | Appendix B: Description of Adjustments to Commitments and Disbursements from previous years |
| 40        | Authors and Contacts  |
| 40        | Legal Disclaimer  |



# FY20 Highlights

## IFC's Social Bond Program

FY20 projects align with the following Sustainable Development Goals:




















## Cumulative Highlights

# IFC's Social Bond Program FY17 - FY20

IFC launched its Social Bond Program in 2017 after merging the Banking on Women and Inclusive Business Bond Programs.



## 4-year Impact Summary<sup>3</sup>

-  Reach **2,637,591** farmers
-  Feed **3** million people
-  Supply power to **7.3** million people<sup>4</sup>
-  Provide **442,558** residential housing loans
-  Reach **43,060,000** people with telecoms, media, and technology services
-  Treat **1,600,000** malnourished children
-  Integrate **15,111** micro, small and medium enterprises into the value chain
-  Provide **17,996,822** microfinance loans
-  Provide **34,185** agrifinance loans
-  Enroll **137,441** students
-  Distribute **6,335,054** loans for women
-  Expand access to medicine through **17,948** outlets
-  Provide **832,000** hectoliters of water, equivalent to providing drinking water for **113,973** adults for a year<sup>5</sup>
-  Reach **703,255** patients
-  Directly employ **5,500** people

<sup>2</sup> These numbers specifically refer to bond issuances in the period FY17-FY19 and exclude \$296 million issued in Inclusive Business bonds in FY15-FY16 and \$268 million issued in Banking on Women bonds in FY17-FY20.

<sup>3</sup> The aggregate ex-ante figures include the targets from all commitments that were social bond eligible; some of these projects may have since closed.

<sup>4</sup> Figure includes connection and number of customer served (i.e. one connection is one customer)

<sup>5</sup> [https://www.who.int/water\\_sanitation\\_health/dwq/nutrientsindw.pdf](https://www.who.int/water_sanitation_health/dwq/nutrientsindw.pdf)



## A Letter from the Treasurer



**John Gandolfo**  
*IFC Vice President and Treasurer*

**The COVID-19 crisis has impacted the health and livelihoods of many millions of people across the planet, and it continues to impose an enormous toll on the poor. The ongoing global recession threatens decades of progress towards raising living standards in the developing world. The World Bank estimates that as many as 150 million people could fall into poverty in 2021.**

More than ever, we need innovative solutions to bridge the estimated \$2.5 trillion annual funding gap so that the world can meet the Sustainable Development Goals by 2030.

That means dramatically scaling up investments in sustainable finance within the next decade. The good news is that social bonds can help us get there. This past year, as complex social issues arose directly from the turmoil of the pandemic, social bonds came to the fore of the sustainable bond market.

This past year, 2020, saw \$142 billion in global social bond issuances, a substantial increase from the \$17.4 billion issued in 2019.

We are proud to have played a role in the wave that brought social bonds to the menu of investors worldwide – helping women entrepreneurs and women-owned small businesses in need of access to credit, low-income families lacking quality health care and clean water, and smallholder farmers trying to take their crops to market.

These underserved communities are among those most adversely affected by COVID-19. That's why at IFC we are responding through what I call our "3R" approach: relief, restructuring and resilient recovery. With our focus firmly on

creating projects and generating investments in developing countries, in FY20 we committed \$22 billion in long-term finance – an almost 15 percent year-on-year increase – including \$11.1 billion invested for our own account.

The poorest and most fragile countries accounted for 25 percent of IFC's own account long-term finance commitments. IFC also committed \$1.8 billion in long-term finance for financial institutions specifically targeting women.

At the same time, we stepped up to help the world fight the effects of the pandemic. We worked with IFC's Board to create an \$8 billion- fast-track COVID-19 facility to provide liquidity to our existing clients, both for financial institutions to on-lend to small and medium-sized enterprises and women as well as for real sector clients. We have committed 50% of this facility in just six months.

We also received approval for a \$4 billion global health platform that allows us to invest in companies to increase the supply of critical medical supplies to developing countries, including face masks, ventilators, testing kits, and vaccines.

IFC is leveraging its strategy and experience to bring the private sector back to emerging markets to create the economic growth and the jobs that we need to bring recovery. We are doing this in several ways, and social bonds have played a key role in mobilizing private capital towards sustainable development needs during the pandemic. As we work alongside investors looking for increased positive social impact, especially during COVID-19, we are pleased to present IFC's new Social Bond Impact Report as a bid to uphold transparency and integrity in the growing market.

## 4 Your Information

### A Chat with Karin Finkelston, the VP of Partnerships, Communication, and Outreach



#### 1 How is IFC working with partners to help developing countries rebuild from the COVID-19 crisis?

Partnerships are critical to IFC's mission, and today we're working even more closely with governments, corporations, foundations, and other multilateral organizations and development institutions to foster innovative partnerships that help create markets and mobilize private sector investment for a resilient recovery.

In FY20, our development partners committed \$288 million for IFC's upstream and advisory services and \$22 million for blended finance initiatives to support private sector investments in countries most affected by fragility and conflict, as well as projects related to gender, climate, financial inclusion, sustainable infrastructure, agribusiness, and manufacturing.

#### 2 Which international institutions and global platforms is IFC partnering with currently?

To strengthen the role of the private sector in development finance, IFC engages with key international institutions and global platforms, including the United Nations, the Organization for Economic Co-operation and Development, Multilateral Development Banks, Development Finance Institutions (DFIs), World Economic Forum, and the G7 and the G20.

Our 3.0 Creating Markets strategy is in line with the strong international call to work on a new financing approach focused on the mobilization of the private sector. Working with our partners, we are supporting policy and regulatory reforms that promote private investment, develop projects upstream, and introduce blended finance to de-risk projects and create markets.

IFC and other DFIs are collaborating to develop innovative models to increase their impact in low-income, fragile, and conflict-affected countries. IFC has developed the Joint Collaboration Framework Agreement (JCFA) to provide a structure for increased collaboration among DFIs. Proparco, the private arm of the French Development Agency and DEG – Deutsche Investitions- und Entwicklungsgesellschaft – have signed the JCFA. The JCFA builds on existing partnership frameworks, to cover a range of new areas of collaboration, including on Upstream and on project co-financing. The agreement was expanded to facilitate cooperation on COVID-19 responses, and IFC has partnered on the DFI Collaboration Pilots at the country level with Proparco; the CDC Group, the United Kingdom's development finance institution; the Swiss Investment Fund for Emerging Markets; the African Development Bank; and the Africa Finance Corporation.

#### 3 What is the role of donor partners in IFC's Global Health Platform?

IFC's \$4-billion Global Health Platform is supported by donor partners and forms an integral part of the World Bank Group's response to COVID-19 by supporting the private sector's ability to respond to the challenges.

Efforts to improve production, supply, and delivery of critical health care products and services in developing countries to help fight pandemic received a boost when Norway committed NOK 72M (US\$8.4M) to the platform, and the Government of Japan announced it would provide \$10 million. The partnership with Norway will help to create projects and open markets for increased local manufacturing of health care products and service capacities in developing countries; improve resource efficiency in the pharmaceutical sector while increasing access to safe and quality health care services. Japan's contribution will be used to further boost health care quality services and scaling up API production globally.

#### 4 Can you tell us about IFC's work with trust fund partners in the COVID-19 era?

IFC has reoriented its support from partners to focus on pandemic response along with a clear focus on our strategic priorities and 2030 goals to support a sustainable, inclusive and resilient recovery.

In Egypt, with the support of partners, IFC is creating a business enabling environment for SMEs through a comprehensive approach which includes financing as well as advisory services to ensure sustainable growth for SMEs.

Another example is the Facility for Investment Climate Advisory Services (FIAS), one of IFC's largest and oldest trust funds. In Haiti, where the livelihoods of 50,000 garment industry workers are at risk, FIAS-supported teams are helping the sector redeploy capacity to produce personal protective equipment for health workers caring for COVID-19 patients.

Lastly, with the help of partners, IFC is working through the Joint Capital Markets Program (J-CAP) to make longer term, local currency financing products available in Kenya to make it more affordable for people to buy homes.



## What is Eligible for IFC Social Bond Funding?

**The Social Bond Program supports projects that aim to achieve positive social outcomes especially but not exclusively for a target population.** Social project categories as indicated within the Social Bond Principles include, but are not limited to, providing and/or promoting:

- Ⓐ Affordable basic infrastructure (e.g. clean drinking water, sewers, sanitation, transport, energy)
- Ⓑ Access to essential services (e.g. education and vocational training, healthcare, financing and financial services)
- Ⓒ Affordable housing
- Ⓓ Employment generation including through the potential effect of SME financing and microfinance
- Ⓔ Food security and sustainable food systems
- Ⓕ Socioeconomic advancement and empowerment

**These include IFC-financed projects that meet the criteria as stated above, such as:**

IFC's ***Banking on Women***: Projects that lend to financial intermediaries with the requirement that IFC loan proceeds be on-lent to women-owned micro, small, and medium enterprises.

IFC's ***Inclusive Business***: Projects with companies that integrate underserved people at the base of the pyramid into a company's value chain. For example, projects that:

- Provide health or education services
- Develop affordable housing
- Expand access to telecommunications, such as broadband or mobile phones
- Provide electricity or water services
- Source from small farmers
- Offer access to finance for microentrepreneurs
- Sell through small mom-and-pop retailers

IFC's ***COVID response projects***: Projects selected from IFC's COVID-19 Response Financing Facilities. This package makes available fast-track financing to existing IFC clients that demonstrate a clear impact on their businesses from the COVID-19 pandemic. Among other criteria, clients must be in good standing with IFC and compliant with environmental, social, and governance (ESG) requirements.



# IFC Social Bond Program Overview for FY20

In financial year 2020, IFC's Social Bond Program proved its significance more than ever. The program is a critical tool to raise and channel capital towards supporting low-income communities and private sector clients impacted by the socio-economic consequences of the pandemic. During the financial year from July 1, 2019 to June 30, 2020, IFC issued 11 social bonds totaling \$1.6 billion through four currencies – a record volume since the program's inception in 2017. This brings IFC's cumulative social bond issuance to \$3.1 billion across 39 bonds in 10 currencies.

IFC was one of the first issuers to launch a USD public benchmark social bond on the same day that the World Health Organization declared the coronavirus outbreak a global pandemic on March 11, 2020. The 3-year \$1 billion social bond pays a coupon of 0.5 per cent and is the largest bond under the program to date. It was issued subsequent to IFC's [COVID-19 response package announcement](#) and during a period of market turbulence. IFC worked with market participants to successfully establish the first benchmark social bond issued in this period. The trade attracted tremendous interest from investors with a final order book of over \$3.4 billion, testament to investors keenly interested in supporting the alleviation of social issues.

The following week, on March 17, IFC issued a five-year 3 billion Swedish krona (SEK) social bond, equivalent to \$301 million, the first social bond issued by IFC in this currency. It was placed with Alecta, Folksam, and LF Liv – three Swedish investors and early supporters of IFC's sustainable bond programs – and demonstrated that investors in this currency were eager to invest in issuances related to COVID-19. Shortly after, on March 25, IFC returned to the SEK market to facilitate additional demand and upsized the bond by another SEK 450 million, or \$44.3 million equivalent. As a result, IFC was able to raise over \$1.3 billion for the Social Bond Program in March.

The first week of April, IFC established the first new sustainable bond line in the Australian dollar (AUD) market of 2020, issuing a 15-year 200 million AUD social bond, equivalent to \$122.8 million. It also marked the first new AUD line by a supranational, sovereign or agency issuer in 2020. The bond was placed exclusively with Nippon Life and increased four more times in May and June to a total outstanding volume of AUD 405 million.

Other social bonds issued in the first half of IFC's fiscal year 2020, from July until December, include a trade with U.S. retail investors in the U.S. dollars and a private placement in a new emerging market currency for the program: Peso Uruguayo.

## FY20 Social Bond Issuances

Volume:  
**\$1.6 billion**

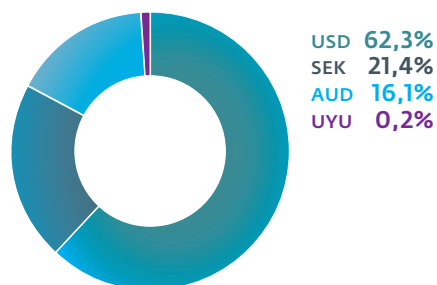
Number of social bond issues:  
**11**

## Cumulative Social Bond Issuances

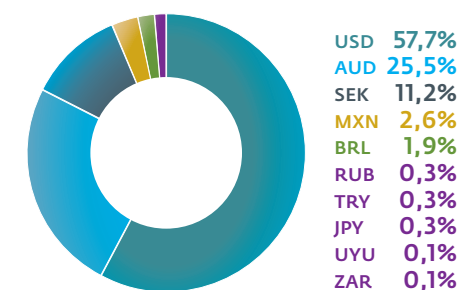
Volume:  
**\$3.1 billion**

Number of social bond issues:  
**39**

## FY20 Social Bond Issuance by Currency (percent)



## Cumulative Social Bond Issuance by Currency (percent)





# From Pandemic to Systemic Action

## How IFC's Funding Program adapted to the crisis



**Tom Ceusters**

*Director, Treasury Market Operations*

### **This has been a crisis year and required urgent action. Can you tell us how IFC's Social Bond Program responded to the COVID-19 pandemic?**

Over the past year, our world has changed irrevocably. In the realm of sustainable finance, the roles of issuers, investors, underwriters and data providers have become even more critical. The COVID-19 pandemic roiled financial markets, disrupted the businesses of many of IFC's clients, and severely impacted the private sector globally. IFC responded quickly to cushion the blow, announcing a \$8 billion package of fast-track financing. Amid this challenging environment, we also issued a USD \$1 billion social bond. We issued this landmark bond—our largest to date—under our existing social bond framework, which fully aligns with the Social Bond Principles, as published by the International Capital Markets Association. Proceeds from the bonds go toward projects that provide or increase access to essential services such as healthcare, water, finance and infrastructure for the underserved across the developing world. The challenge was to get the timing right amid extreme market volatility.

Ultimately, we executed the trade after the worst day in the financial markets since the 2008 crisis. Nevertheless, the deal garnered exceptional investor interest, with demand of over USD \$3.4 billion, owing largely to a proactive execution strategy and investor engagement. The impressive demand is a testament to the fact that investors are keenly interested in supporting the alleviation of social challenges in developing countries. Subsequently, the social bond market saw an increasing variety of issuers and larger volume transactions.

### **So, IFC led the market from the earliest stages. But did the issuance process result in changes to the transparency standards upheld by the Program?**

IFC's Social Bond Program, which began in 2017, expanded dramatically in 2020. The program has supported projects within IFC's COVID-19 response package as well as projects from IFC's established Banking on Women and Inclusive Business programs. The cumulative volume raised from the Social Bond Program more than doubled, bringing the total to over \$3 billion since the program's founding. At the same time, transparency and standards remain key facets of the program, as IFC strives to uphold best practices with the program.

In this edition of the report, we have presented a list of projects financed using the proceeds of the social bonds, making transparent the positive social outcomes that a COVID-19 bond is targeting across real and financial sectors, for example, farmers reached, direct employment, among others.

### **Looking ahead, what do you think will boost the growth of the social bond market?**

Globally, corporations are actively aligning their policies, business models and supply chains behind the 2030 Sustainable Development Goals, and the investment community is also embracing the agenda. Social bonds have gained traction as a means of channeling funds toward SDG-related sectors and objectives. Compared with 2019, social bonds issuance was up 728% in 2020. Indeed, a majority of the social bonds issued in 2020 were related to funding aimed at mitigating issues stemming from the COVID-19 crisis, and we continue to see a notable rise in social bond issuance in response to the pandemic.

Social bond investing, as a form of responsible investing, is now a mainstream concept, but it is imperative that we continue to work even harder to meet the world's ambitious development goals. With much of the global economy still facing challenges, our mission is more urgent than ever.

## Views from the Funding Team

# The Situation Room

## Reliving IFC's \$1 billion social bond issuance

In March 2020, following the day the World Health Organization officially declared the coronavirus a pandemic, IFC issued its largest-ever social bond. This made IFC the first issuer to come to the market with a social bond linked to the institution's COVID-19 relief measures. IFC's global funding team managed to successfully execute the \$1 billion transaction in extremely challenging and uncertain market conditions. From the planning to the execution of the bond, the team was committed to maintaining a strategic vision for the unprecedented trade.

### Flora Chao

Global Head of Funding

*"The precipitous drop in swap spreads that occurred while we were pricing the transaction caused one banker to say to me, 'This will be one you will remember on your death bed.' Yet at the end of the trade, we were grateful that our investors remained in the transaction, supporting our social and COVID-related projects."*



### Hiro Hiroyasu

Associate Funding Officer

*"Prior to the launch of the trade, we worked together with our Investor Relations team members and proactively reached out to investors to get a sense of their appetite for a social bond. It turned out that in spite of the market crisis, investors were interested in supporting social issues so demand was plenty, and this gave us a final push to go ahead as soon as the economic conditions lined up."*



### Elena Panomarenko

Head of Funding, Europe

*"We put together a syndicate group consisting of Bank of America, Barclays, Crédit Agricole and DZ Bank and opened the books on March 11 at 17 basis points over mid-swaps. The flow of investor orders proved there was abundant support for social bonds. For me that is the pandemic's silver lining: the acceleration of building social values into the fabric of finance."*



### Marcin Bill

Head of Funding, Asia-Pacific

*"I have vivid memories of this issuance. We decided to opt for an expedited, intraday execution because of pre-launch uncertainties and unprecedented swap spread volatility. This must have been the trickiest bond we have ever issued. It was quintessential funding for purpose at a difficult time - the sort of transaction that makes a difference."*



### Zauresh Kezheneva

Associate Funding Officer

*"The bookbuild was remarkable. Despite the short bookbuild window, we received orders in excess of \$3.4 billion from over 80 investors across the world. It proved that IFC can access funding even during the most turbulent times. Also, for the first time, we allocated to investors based on their commitment to ESG investing, which added an additional sustainability aspect to the trade."*



### Yuri Kuroki

Funding Officer

*"The overwhelming investor support allowed us to tighten the spread and eventually price at a spread of 13 basis points over mid-swaps which translated to 4.4 basis points over US Treasuries. I think that our direct engagement with investors on the use of proceeds of a social bond like this really benefitted the trade. It was a light of encouragement to see that investors are keen to join us to support those affected by the pandemic."*





# Social Bond Eligible Projects: Commitments and Disbursements by Region

(USD millions)

As of June 30, 2020, IFC has committed 153 projects eligible for support from social bond proceeds. The total committed amount for these projects is \$4.3 billion.

## Latin America and the Caribbean

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 42   | 108  | 205  | 319  |
| Disbursements | 8    | 86   | 237  | 227  |

## Europe and Central Asia

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 109  | 177  | 20   | 166  |
| Disbursements | 107  | 154  | 41   | 76   |

## Middle East and North Africa

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 12   | 106  | 7    | 116  |
| Disbursements | 7    | 5    | 108  | 21   |

## Sub-Saharan Africa

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 155  | 104  | 130  | 532  |
| Disbursements | 109  | 79   | 22   | 97   |

## Multi-Region

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | -    | -    | -    | 120  |
| Disbursements | -    | -    | -    | 120  |

## South Asia

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 165  | 151  | 320  | 317  |
| Disbursements | 100  | 122  | 383  | 146  |

## East Asia and the Pacific

|               | FY17 | FY18 | FY19 | FY20 |
|---------------|------|------|------|------|
| Commitments   | 137  | 71   | 141  | 586  |
| Disbursements | 33   | 168  | 53   | 279  |

Disbursements for FY17 and FY18 are corrected from the FY17 and FY18 reports to include the disbursements made from projects committed in FY14-FY16 under the Banking on Women and Inclusive Business Bond Programs.

# Social Bond Eligible Projects: Commitments and Disbursements by Sector

(USD millions)



## Agribusiness

|               | FY17       | FY18      | FY19      | FY20       |
|---------------|------------|-----------|-----------|------------|
| Commitments   | <b>119</b> | <b>56</b> | <b>75</b> | <b>273</b> |
| Disbursements | <b>104</b> | <b>41</b> | <b>31</b> | <b>68</b>  |



## ICT

|               | FY17 | FY18       | FY19       | FY20     |
|---------------|------|------------|------------|----------|
| Commitments   | -    | <b>137</b> | <b>15</b>  | -        |
| Disbursements | -    | <b>31</b>  | <b>105</b> | <b>9</b> |



## Infrastructure

|               | FY17      | FY18 | FY19 | FY20      |
|---------------|-----------|------|------|-----------|
| Commitments   | <b>20</b> | -    | -    | <b>28</b> |
| Disbursements | <b>13</b> | -    | -    | <b>20</b> |



## Education

|               | FY17 | FY18     | FY19     | FY20       |
|---------------|------|----------|----------|------------|
| Commitments   | -    | <b>5</b> | -        | <b>106</b> |
| Disbursements | -    | <b>1</b> | <b>1</b> | -          |



## Gender Finance

|               | FY17      | FY18       | FY19       | FY20       |
|---------------|-----------|------------|------------|------------|
| Commitments   | -         | <b>241</b> | <b>253</b> | <b>407</b> |
| Disbursements | <b>40</b> | <b>189</b> | <b>215</b> | <b>326</b> |



## Other Finance

|               | FY17     | FY18     | FY19     | FY20     |
|---------------|----------|----------|----------|----------|
| Commitments   | <b>3</b> | <b>4</b> | -        | -        |
| Disbursements | -        | <b>1</b> | <b>1</b> | <b>1</b> |



## Food & Beverages

|               | FY17      | FY18      | FY19      | FY20      |
|---------------|-----------|-----------|-----------|-----------|
| Commitments   | <b>29</b> | <b>37</b> | <b>18</b> | <b>56</b> |
| Disbursements | <b>3</b>  | <b>15</b> | <b>29</b> | <b>20</b> |



## Housing Finance

|               | FY17 | FY18      | FY19 | FY20       |
|---------------|------|-----------|------|------------|
| Commitments   | -    | <b>20</b> | -    | <b>248</b> |
| Disbursements | -    | <b>20</b> | -    | <b>248</b> |



## COVID-19 Response Financing

|               | FY17 | FY18 | FY19 | FY20       |
|---------------|------|------|------|------------|
| Commitments   | -    | -    | -    | <b>763</b> |
| Disbursements | -    | -    | -    | <b>50</b>  |



## Health

|               | FY17 | FY18      | FY19      | FY20     |
|---------------|------|-----------|-----------|----------|
| Commitments   | -    | <b>68</b> | <b>37</b> | <b>9</b> |
| Disbursements | -    | -         | <b>85</b> | -        |



## Microfinance

|               | FY17       | FY18       | FY19       | FY20       |
|---------------|------------|------------|------------|------------|
| Commitments   | <b>449</b> | <b>150</b> | <b>424</b> | <b>179</b> |
| Disbursements | <b>205</b> | <b>316</b> | <b>405</b> | <b>125</b> |

# IFC Social Bond Market Engagement

## Beyond the Bonds: Stewardship, Partnerships and Thought Leadership

***In 2020, IFC was elected Chair of the Executive Committee of The Green, Social and Sustainability-Linked Bond Principles (referred to as The Principles). This was a culmination of IFC's role chairing the Social Bond Working Group (SBWG) since its founding in 2016. Esohe Denise Odaro, IFC's Head of Investor Relations, had served on the Executive Committee of The Principles since 2014 and as chair of the SBWG.***

***Denise reflects on the journey so far.***

The introduction of the Social Bond Principles (SBP) in 2017 was a milestone in the development of the market and a culmination of the work of the SBWG, which included 30 members. It has been extremely beneficial that market practitioners draft and govern the Principles before the frameworks go out the door, with the content passing the feasibility test of issuers, investors, underwriters and other related bodies. From the onset of the initial Guidelines in June 2016, we defined social bonds as bonds that exclusively finance social projects. Over the last few years, we worked on elaborating the guidance the Principles provide around eligible projects, target populations, alignment with the Sustainable Development Goals and the ever-topical issue of impact reporting. One of the evident impacts of the publication of the SBP has been the increase in issuance volume that correlates with its initial publication.

The year 2020 was an *annus horribilis* for many and social bonds played a fundamental role in shifting much needed capital to address the dire needs the coronavirus pandemic brought. IFC led the SBWG toward delivering a timely update of the SBP to address its utilization for COVID-19 relief efforts.



**Esohe Denise Odaro**  
*IFC Head of Investor Relations*

Social bonds related to COVID-19 boosted issuance volumes in 2020, making it a record year. Proceeds from social bonds have supported new medical equipment, medical research, SME loans that support employment generation in affected small businesses, and projects that prevent unemployment stemming from the pandemic. Essentially, the product lived up to its objective of attracting capital to address social issues, as the epidemic emerged as an enormous social issue affecting the global population. This was evidenced by the social bond market producing the largest ever orderbook in history as seen with the European Union's first offering of social bonds which drew orders of more than 233 billion euros, or \$275 billion.

To illustrate the application of social bonds in the context of the epidemic, IFC published [case studies](#) to highlight how issuers from various industries can use social bonds to raise financing that address social issues raised by the COVID-19 pandemic. For the rest of our term chairing the Executive Committee, IFC is committed to continuing to accelerate the development of the social bond market through the consolidation and promotion of the SBP, as well leading the path to harmonizing reporting practices.



# IFC Social Bond Market Engagement

IFC Treasury remains active in market engagement, thought leadership, and promoting best practices in the issuance and investment of sustainable bonds



Esohe Denise Odaro, IFC Head of Investor Relations, spoke at the ICMA U.S.-focused event on sustainable bonds, October 2020



John Gandolfo, IFC VP and Treasurer, gave a keynote speech at the NASDAQ ESG Summit, September 2020



Zauresh Kezheneva, IFC Associate Funding Officer, discussed IFC's social bond efforts at Bloomberg's 2020 Canadian Fixed Income Conference, October 2020



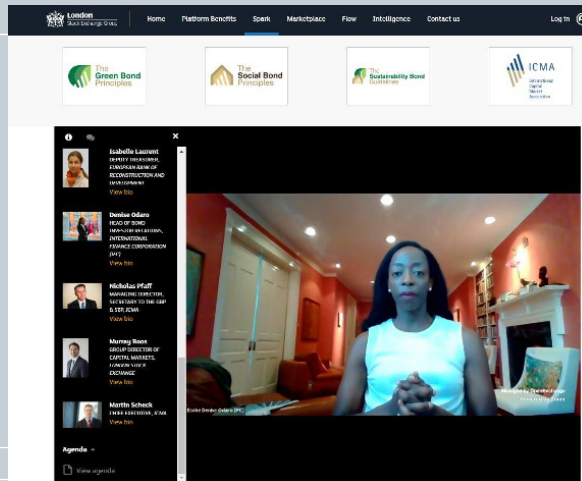
Esohe Denise Odaro, IFC Head of Investor Relations, discussed the social contract between issuers, investors, companies, and society at the NASDAQ ESG Summit, September 2020



Maki Yasui, IFC Senior Investor Relations Officer, joined the Social Bond Issuer Roundtable hosted by GlobalCapital, March 2020

# IFC Social Bond Market Engagement

IFC was re-elected to the Executive Committee of the Green, Social and Sustainability-Linked Bond Principles during the Annual General Meeting, held virtually for the first time, June 2020



In June 2020, IFC joined the newly launched Nasdaq Sustainable Bond Network, a global platform that aims to increase transparency, comparability and accessibility to environmental, social, and sustainability bonds

**Environmental Finance**

Build Back Better Webinar Series

## Coronabonds

Tuesday 23 June 2020 10:00 ET / 15:00 BST

**Elena Panomarenko**  
Senior Financial Officer  
IFC

**Lupin Rahman**  
Global Head of Emerging Market Sovereign Credit  
PIMCO

**Theo Kotula**  
ESG Analyst  
Axa Investment Managers

**Willem Hettinga**  
Senior Responsible Investment Specialist  
APG

Elena Panomarenko, IFC Senior Funding Officer, joined the Coronabonds event held by Environmental Finance to discuss COVID-19 Bonds and the renewed spotlight on the "S" in Environmental, Social, and Governance, June 2020.

**SOLAR, PACE & ESG INVESTING**

September 2-4, 2020

Positive Impact of ESG During & Post-Covid - U.S. Market

Friday, September 4  
2:00PM (Eastern Time)

**Flora Chao**  
Global Head of Funding  
International Finance Corporation

Flora Chao, IFC Global Head of Funding, offered views on how new issuances of COVID-related bonds could propel social bonds into the ESG spotlight, September 2020



VIRTUAL CONFERENCE 01 - 02 JULY  
REGISTRATION  
[WWW.MALEKI.DE/FUTUREEUROPE](http://WWW.MALEKI.DE/FUTUREEUROPE)

HOW CAN SOCIAL AND SUSTAINABLE BONDS SUPPORT PUBLIC HEALTH AND ECONOMIC RESILIENCE?



**Alexander Ruf**  
Director, Funding and Investor Relations  
Nordic Investment Bank  
Helsinki



**Ella Kreivi**  
Head of Capital Market  
European Investment Bank  
Luxembourg



**Escha Danise Odaro**  
Head of Investor Relations,  
IFC  
Washington, D.C.



**Dr. Rolf Wenzel**  
Governor  
Council of Europe Development Bank  
Paris



At the Sustainable Europe conference, IFC addressed the question of social bonds financing socio-economic crises, July 2020



# IFC Social Bond Market Engagement Thought Leadership Feature

## A Fresh Look at Social Bonds and COVID-19



**Sophie Peeters**  
Investor Relations Analyst

*“Social bonds have become an increasingly popular fixed income product since the Social Bond Principles were published in 2017. The onset of the pandemic has only accelerated its growth and popularity. Since the corona virus outbreak, the IFC Investor Relations team has received an increasing number of requests from potential issuers and other market participants for advice on how to set up Social Bond Programs and corresponding frameworks. Social bonds present a good funding avenue to address not only the socio-economic disruptions caused by the pandemic but also the UN Sustainable Development Goals. We are hopeful that the growing use and interest in these bonds will be sustained post-crisis.”*

FRESH IDEAS ABOUT **EMCompass**  
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NOTE 89 • AUG 2020

### Social Bonds Can Help Mitigate the Economic and Social Effects of the COVID-19 Crisis

By Sophie Peeters, Maud Schmitt, and Ariane Volk

An IFC Compass Note issued in 2020 gives a fresh look on the market development of social bonds, the impact of the pandemic on issuances, including in emerging markets, and the challenges for further growth of the social bond market.

[Read the paper here](#)

## Bridging the Gender Gap

The COVID-19 pandemic has worsened existing gender inequalities, exposed fundamental flaws in economic and social systems, and posed a serious threat to the gains made on gender equality. The pandemic has led to increased unemployment, increased unpaid care work, and unprecedented levels of domestic violence and school dropouts. The pandemic has had a particularly strong impact on women, who, prior to COVID-19, held insecure employment, living close to the poverty line. In some sectors, women have experienced disproportionate job losses and economic insecurity as a result of the pandemic. With school and care facility closures, women around the world are taking on additional care responsibilities, and the crisis has amplified society's reliance on women and girls in informal and formal care structures. As COVID-19 widens global gender gaps, IFC and UN Women partnered to showcase a growing number of companies and organizations around the world that are taking action to ensure the economic inclusion

and social well-being of their employees, customers, and suppliers, as well as local communities. The report aims to inform companies around the world on emerging practices and initiatives for supporting women employees, entrepreneurs and workers in value chains amid the pandemic.

[Read the full report here](#)

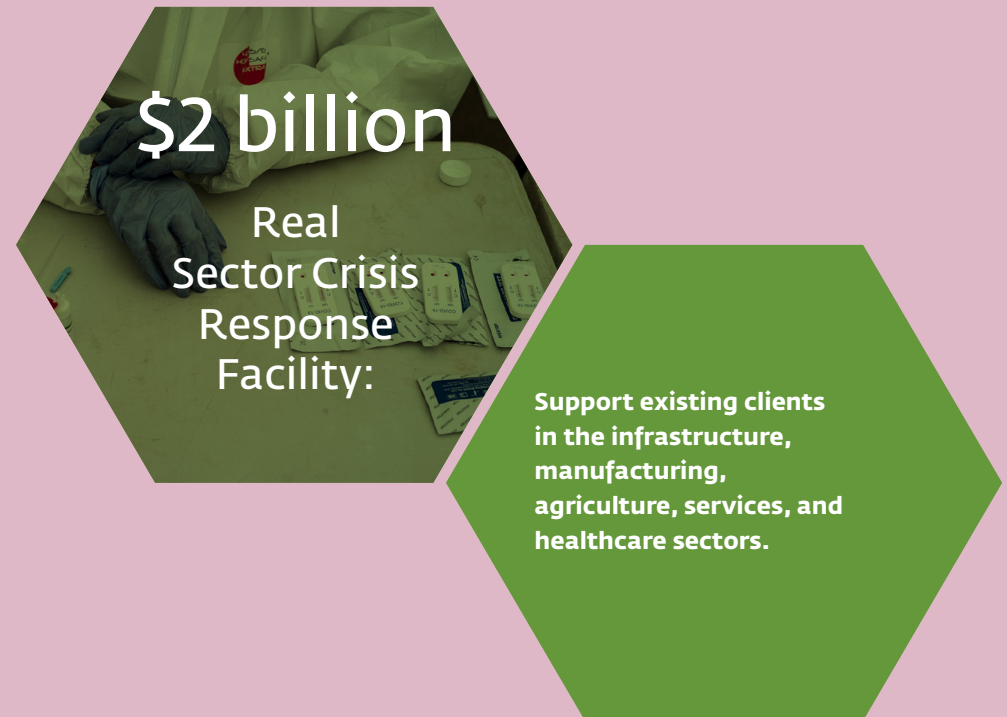




## COVID-19: IFC's Relief Efforts

The novel coronavirus pandemic has created a prodigious global health crisis, threatening lives and livelihoods across the world. The virus outbreak has dealt an extraordinary setback to the worldwide effort to end extreme poverty, raise median incomes, and create shared prosperity. Based on World Bank Group projections, an additional 110 to 150 million people will have fallen into extreme poverty by 2021. This is a pandemic of inequality. Sustainable recoveries will require growth that benefits all people. Supporting the private sector, the main engine of job creation in developing countries, will be key to reversing this trend. Beyond its short-term impact, the COVID-19 pandemic is likely to leave lasting scars through lower investment, erosion of human capital among the unemployed and those deprived of education, and a retreat from global trade and supply linkages.

Supporting the private sector is key to saving jobs, the main route out of poverty for many poor people. IFC has stepped up to respond to this unparalleled crisis, working to sustain businesses and preserve jobs with an **\$8 billion fast-track COVID-19 facility** set up to help sustain businesses and preserve jobs by providing liquidity to existing client companies and financial institutions.





**\$2 billion**  
from  
the existing  
Global Trade  
Finance Program:

Cover payment risks of  
financial institutions so  
they can provide trade  
financing to companies  
that import and export  
goods.



**\$2 billion**  
Working  
Capital  
Solutions  
Program:



**\$2 billion**  
Global Trade Liquidity  
Program, and the  
Critical Commodities  
Finance Program:

Funding and risk-sharing  
support to local banks  
so they can continue to  
finance companies in  
emerging markets.

Funding to emerging-  
market banks to extend  
credit to help businesses  
shore up their working  
capital, the pool of funds  
that firms use to pay their  
bills and employee salaries.

## COVID-19: IFC's Relief Efforts

*IFC's new Global Health Platform will boost supply of face masks, ventilators and, eventually, vaccines.*



### Global Health Platform

IFC's Global Health Platform helps address the severe shortage of medical supplies in developing countries, by financing healthcare product manufacturers, critical raw material suppliers, and healthcare service providers so they can expand capacity for products and services to developing countries. With over 100 million confirmed cases of COVID-19<sup>6</sup>, the United Nations is calling the pandemic the world's 'most challenging crisis' since World War II. Developing countries are being hit hard given their already vulnerable health systems, underfunded or non-existent social safety nets, heavy dependence on imports for the most critical healthcare products and consumables, and inadequate access to health services. The surge in global demand for healthcare products and services caused by COVID-19 far exceeds the supply in developed and developing countries. According to some estimates, the private sector would need to invest more than 60 billion to increase manufacturing and delivery capacities for health products in order

to meet the demand created by the fight against the pandemic. To mobilize private investment in closing the massive healthcare supply gaps faced by developing countries, IFC's Global Health Platform is designed as a critical private sector pillar of the World Bank Group's response to COVID-19.

The \$4 billion Global Health Platform is helping developing countries gain access to healthcare supplies, including face masks, ventilators, testing kits and, ultimately, vaccines. IFC will contribute \$2 billion from its own account while mobilizing an additional \$2 billion from its partners. IFC is working to encourage ramped-up production of COVID-19 vaccines and therapeutics in advanced and developing economies, and it is working to ensure that emerging markets gain access to available doses. IFC is also partnering with the Coalition for Epidemic Preparedness Innovations to map vaccine manufacturing capacity and address potential bottlenecks.



## COVID-19: IFC's Relief Efforts

# Spotlight on Microfinance

As a result of the global crisis, microfinance institutions and other financial providers serving micro, small, and medium enterprises and informal segments are experiencing severe disruptions to their operations. IFC has taken critical actions to support the microfinance sector including gathering insights on the impact of the crisis on the sector and our portfolio clients, coordinating with other development financial institutions and impact investment managers on crisis response approaches, and providing working capital and liquidity lines to financial institution clients serving the base of the pyramid with a focus on IDA countries.

Access to finance is a key element of economic development and foundational to achieving the World Bank Group's twin goals: end extreme poverty and promote shared prosperity. Despite progress, 1.7 billion adults lack access to basic transaction accounts and there is an estimated \$5.2 trillion financing gap for formal micro, small and medium enterprises (MSMEs) and an additional \$2.9 trillion for informal MSMEs. People without access are largely concentrated in Asia and Sub-Saharan Africa, and they are disproportionately poor and female.

Through its Financial Institutions Group (FIG), IFC helps to increase the availability and affordability of financial services, particularly to MSMEs. IFC's microfinance strategy focuses on building sustainable financial service providers that serve the un(der)served, scaling up support for innovative digital solutions that responsibly expand access, and reaching persistently un(der)served and vulnerable populations – particularly in countries that identified as members of the International Development Association (IDA) and list of countries in fragile and conflict-affected Situations.

Over 20 years, IFC's microfinance has delivered significant global impact with more than 650 investments totaling \$6.1 billion and 190 advisory projects. Historically, 42 percent of microfinance investment projects focus on IDA countries, with 11 percent in fragile and conflict-affected situations. As of CY19, IFC's financial institution clients reach an estimated 59.6 million micro, small, and medium enterprises, of which 48.9 million are microenterprises.



## Featured Project

# Conclina

*Healthcare, Ecuador*

At the onset of the COVID-19 pandemic, Ecuador witnessed one of the world's worst outbreaks. Struggling with its fragmented and segmented healthcare system, COVID-19 wreaked havoc in the country, resulting in one of the highest infection and mortality rates in Latin America, with more than 250,000 infections and 14,000 deaths among a population of over 17 million inhabitants as of January 2021.

The macro-economic situation quickly deteriorated. Ecuador recorded 12.4 percent decline in the economy coupled with 13 percent increase in unemployment<sup>7</sup>, making local commercial banks more hesitant to provide funding. Making matters worse, many residents in major cities that needed immediate attention, especially in the poorer neighborhoods, struggled to find public and private hospitals and beds where they can be given urgent medical care.

Around the same time, IFC set up an \$8 billion fast-track financing fund to help existing clients cope with the pandemic. One of its first investments was to provide \$9 million to Conjunto Clinico Nacional CA, Conclina – a healthcare group based in Ecuador – to bolster Conclina's liquidity and its capacity to

provide high-quality medical services and weather the financial impact of the COVID-19 pandemic. The rapid financing provided by IFC helped the company face the crisis with firm footing and focused on tackling the operational challenges brought by the pandemic.

Previously in 2015, IFC had provided Conclina a \$15 million loan to support an expansion in its medical services and diagnostics capacity. The company operates a 150-bed high-complexity facility, Hospital Metropolitano, in Quito, a pre-paid health plan company with close to 200,000 members, and a network of six outpatient clinics. Hospital Metropolitano has split its facilities into two parts in response to the pandemic, one for COVID-19 patients and one for non-COVID-19 patients, to lower the infection risk. It is the only hospital in Ecuador accredited by the Joint Commission International (JCI), a certification of global leadership in health care quality and patient safety.

Even before the COVID-19 facility was set up, IFC has been supporting the real sector companies in Ecuador to increase their liquidity and build resilience through financing and technical advice. Ensuring that Conclina and other companies are able to sustain operations during this crisis and weather the shock of pandemics such as COVID-19 will better equip the private sector to contribute to Ecuador's recovery.





Conclina facility, Ecuador



## Featured Project

# KEP Trust

*Microfinance, Kosovo*

Kofi Annan wisely said, “Extreme poverty anywhere is a threat to human security everywhere.”

Kosovo is currently the third poorest country in Europe with 20 percent of its 1.8 million people living below the poverty line. The dire living situation is further compounded by the marginalization of rural communities, where 60 percent of Kosovans live, with 40 percent of them unemployed.

Kosovo’s agriculture sector is critical to its economy, accounting for 30 percent of the country’s total employment and 13 percent of its GDP<sup>8</sup>. Despite that, this sector has had limited access to finance with total debt accounting for a mere four percent of the country’s formal sectors. This has not improved despite rapid growth in Kosovo over the last decade, at a rate even higher than the average rate in the Western Balkans. Small agribusinesses and farmers are largely unbanked and continue to have limited access to essential loans for much-needed inputs, such as fertilizers, seedlings, animal feed, and barns, among other items. This is mainly due to a lack of collateral, little or no credit history and very limited financial knowledge, coupled with the high costs of originating and servicing loans in rural areas. KEP Trust is an institution that is

working to overcome these challenges. Established in the 1990s, the company has grown rapidly to become the largest microfinance institution in Kosovo, and it offers financial services to marginalized and underprivileged groups in rural communities.

In 2019, IFC invested \$4.4 million in KEP Trust, half of which was contributed by the Private Sector Window of the Global Agriculture and Food Security Program. The investment was designed to expand access to finance to micro and small enterprises, with a focus on reaching over 4,000 agribusiness borrowers. The IFC investment was particularly timely in the wake of the COVID-19 pandemic because it enabled KEP Trust to lend to people and businesses in vulnerable and underserved segments most severely affected by the crisis. The additional funding allowed KEP Trust to expand its services beyond the 3,900 farmers that already receive access to finance at reasonable costs.

As farmers use the income to make decisive changes – whether it’s enlarging a stable, bringing in modern technology, or buying more cattle – the strategy of KEP Trust is working and will help better shape the future of Kosovo and its people.





## One Farmer's Story

Until three years ago, Remzi Bala had a small family homestead in central Kosovo. However, with just one old tractor and no livestock, he struggled to make the farm productive, let alone profitable.

That all changed in 2017 after he received his first loan from KEP Trust. His initial loan of 1,000 euros helped him purchase a few young cows, while a second loan he received a year later enabled him to buy a more reliable tractor. His most recent loan came in spring 2020, as the COVID-19 pandemic raged and it enabled him to withstand a cash flow crisis.

Bala now boasts a herd size of nine cattle – seven dairy cows and two for beef. With an output of 100 liters of milk a day, and double the income he had just last year, Bala says his business now has ability to withstand more market disruptions, such as when the price of milk dipped at the peak of pandemic.

"I can buy books and clothes for my four children and not worry," he said recently from KEP Trust offices in Pristina, Kosovo.

Bala is one of an estimated 3,900 farmers who now receive loans from KEP Trust. These loans help people like Bala build financial knowledge, along with a credit history and collateral that will enable them to eventually reach the formal banking sector.

Thanks to partners like KEP Trust, Kosovo can look forward to a stronger microfinance sector and an even better future.

**Remzi Bala on his farm in central Kosovo.**

Photo: KEP Trust



# Social Bond Eligible Project Commitments for FY20

The Impact Assessment table lists expected outcomes from projects eligible for funding from IFC Social Bond proceeds in FY20. Organized by sector, the projects eligible for IFC's Social Bond aim to improve access to finance and other essential services for target populations such as those who are underserved. Eligible categories include those stated within the Social Bond Principles. Projects committed in FY20 align with the following SDGs:



*Reporting is based on ex-ante estimates at the time of project appraisal. Because the Impact Assessment table includes the estimated results of projects still in the construction or implementation phase, there is no guarantee these results will materialize. Thus, the reporting is not intended to provide actual results achieved in a specific year or reporting period.*



## Inclusion Projects

### Real Sector

Eligible projects in the real sector include a focus on increasing access to goods, services and markets for people who are low-income and/or underserved. Target populations in FY20 include:















- Smallholder farmers who often lack access to key inputs, technologies and financial resources, typically very poor with limited access to market for their products
- Vulnerable individuals suffering from malnutrition and those in food insecure regions
- Individuals receiving access to safe and reliable electricity

#### Impact Highlights

| Indicators                         | Baseline   | Target    |
|------------------------------------|------------|-----------|
| Farmers reached (#)                | 323,536    | 671,610   |
| Number of people fed (#)           | 11,400,000 | 3,000,000 |
| Total connections (#) <sup>9</sup> | 1,292,000  | 1,900,000 |

| Sector       | Institution Name                           | Project ID            | Country or Region | Description  | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|--------------|--|-----------------------|-------------------|--|---|---|
| Agribusiness | <b>ETC Agro Processing India Pvt. Ltd.</b> | <a href="#">43027</a> | India             | ETC Agro Processing Private Limited is one of the top processors of pulses – dried, edible seeds of legume plants. To address India's challenges related to food security and diet diversity, the project will enable increased production of calorie-rich, nutritious pulses at prices affordable for low-income consumers in India. The project will also result in increased purchases of pulses sourced from local farmers.  | 21.17                                   |          |
| Agribusiness | <b>Netafim Ltd.</b>                        | <a href="#">42908</a> | China             | Netafim is a global leader in technology-advanced smart irrigation solutions and the largest provider of micro irrigation systems. The project is expected to generate better yields for local farmers and strengthen their resilience to climate shocks.  | 6.07                                    |    |
| Agribusiness | <b>Suguna Foods Private Limited</b>        | <a href="#">44040</a> | India             | Sugana is one of the leading poultry integrators in India with operations covering all areas of the poultry sector. The project will support the company's expansion, thereby improving incomes of poultry farmers through contract farming and increasing consumer access to affordable and high quality food products.   | 38.81                                   |       |
| Agribusiness | <b>Boudjebel S.A. VACPA</b>                | <a href="#">42698</a> | Tunisia           | VACPA is a Tunisian date processing company. The project will support the company's operations during the COVID-19 crisis, upgrade its processing and supply chain program, and establish a new production line. The project will lead to a reduction in the volume of water used to irrigate a hectare of date palms and increase the number of smallholder farmers who receive offtake contracts, pre-harvest financing, and training.   | 6.12                                    |    |
| Agribusiness | <b>Olam International Limited</b>          | <a href="#">40675</a> | World Region      | Olam International is a leading global agribusiness with direct sourcing and processing presence in most major producing countries. Olam focuses on niche commodities and businesses, buying from growers and village-level agents at the farm gate, and providing value-added solutions and services to customers, such as traceability guarantees. The project will support Olam's sourcing of crops primarily grown by smallholder farmers in several countries, including Timor Leste, PNG, and Uganda, as well as Vietnam and Indonesia – with positive implications for farmers on yield enhancement, optimal inputs usage and increased income. | 120.00                                  |    |

<sup>9</sup> Total connections represent estimated actual connections. A previous year report estimated # of customers based on a typical household size.

| Sector           | Institution Name                                  | Project ID            | Country or Region  | Description   | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|------------------|---|-----------------------|--------------------|---|---|---|
| Agribusiness     | Grainpulse Limited                                | <a href="#">41951</a> | Uganda             | Grainpulse is a pioneer in local fertilizer blending in Uganda. The company also buys crops directly from small farmers and helps to connect them to markets. The project will support the company to increase the supply and delivery of quality fertilizer to smallholder farmers in Uganda. The project will be complemented by advisory services to support smallholder farmers.  | 11.00                                   |          |
| Agribusiness     | Habesha Breweries Share Company                   | <a href="#">41561</a> | Ethiopia           | Habesha is one of the leading beer brewers in Ethiopia. The project will support the company's capacity expansion program, leading to increased productivity, access to markets, and food security for 15,000 local barley farmers. The project will also accelerate the adoption of high-yield seeds among farmers through capacity building and demonstration effects.  | 19.79                                   |          |
| Education        | Chongqing Minsheng Education Management Co., Ltd. | <a href="#">42960</a> | China              | Minsheng is one of China's largest publicly listed private university operators. Its ten education institutions have a total enrollment of over 84,000 students, most of which are in Chongqing and the frontier regions of Yunnan and Inner Mongolia. In addition, Minsheng has investments in online education platforms with total enrollment of over 1.1 million students across China. The project will support the company's expansion, consolidation, operations and upgrade plan, expanding access to quality and affordable tertiary and vocational education for students in the frontier regions of China. The project is expected to have positive inclusion effects to attract a large portion of female students, as well as students from ethnic minorities. | 105.67                                  |    |
| Electric Power   | Umeme Limited                                     | <a href="#">41897</a> | Uganda             | Umeme is a regulated electricity distribution company in Uganda, supplying over 1.2 million customers mainly located in the semi-urban corridors. The project will support network upgrades, additional connections, safety enhancements, and more advances to enhance access to electricity in Uganda.   | 28.00                                   |          |
| Food & Beverages | Al Jebrini Dairy and Food Industries Company      | <a href="#">41853</a> | West Bank and Gaza | Al-Jebrini is a dairy and foods company in the West Bank and Gaza that produces and distributes a wide range of staple and value add products such as yogurt, milk, juice, salads and dips. The project will increase the access and quality of staple food products in Gaza where 69% of the population is considered food insecure according to the UN World Food Program.  | 9.44                                    |    |
| Food & Beverages | Cediam  | <a href="#">37932</a> | Mali               | Centre d'Etude et de Développement Industriel et Agricole du Mali SA (Cediam) is a fruit processing company in Mali that sources mangos, from smallholders, and processes them into mango puree/concentrate for the export market. The project will provide increased access to market and revenue to more than 3,000 smallholders mango smallholders in Mali, 90 percent of whom are living in the bottom of the pyramid. IFC's investment will provide Cediam with permanent working capital and the necessary financing to reach rated factory capacity.   | 1.11                                    |    |

## Inclusion Projects

















### Financial Sector

Social bond eligible projects in the financial sector focus on improving low-cost access and availability of financial products and services. Sub-sectors include gender finance, housing finance and microfinance. Target populations in FY20 include:






























- Women-owned small- and medium enterprises (SMEs)
- Micro-loan borrowers who lack access to affordable financial services from traditional banks or lending institutions, often low-income or living in remote areas
- Underserved individuals lacking access to affordable housing finance
- Agrifinance especially targeting small holder farmers

































#### Impact Highlights

| Indicators  | Baseline | Target  |
|---|----------|---------|
| Number of Outstanding Micro Loans (#)               | 521,775  | 806,212 |
| Number of Outstanding Loans to Women-Owned SMEs (#) | 31,163   | 48,417  |
| Number of Outstanding Housing Finance (#)           | 232,409  | 405,167 |
| Number of Outstanding Agrifinance Loans (#)         | 20,479   | 34,185  |

| Sector          | Institution Name                                   | Project ID            | Country or Region | Description   | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|-----------------|--|-----------------------|-------------------|---|---|---|
| Housing Finance | <b>Aavas Financiers Limited</b>                    | <a href="#">42529</a> | India             | Aavas Financiers Limited (AFL) provides housing finance in rural and semi-urban areas of India and was awarded the "Best Housing Finance Company in Affordable Housing Segment" by the Government of India in 2016. The project will expand its affordable housing finance program to underserved segments such as self-employed customers and first-time borrowers. While expanding its mortgage portfolio, AFL will demonstrate its financially sustainable approach to serving the un(der) served segments, which can be replicated by others in the market. | <b>48.28</b>                            |      |
| Housing Finance | <b>Banco General S.A.</b>                          | <a href="#">42008</a> | Panama            | Banco General bank operates in Panama and throughout the region. The project will enable on-lending to increase access to housing finance for low-income and middle-income households in Panama and climate investments in the Panamanian market.   | <b>150.00</b>                           |     |
| Housing Finance | <b>Banco Davivienda S.A.</b>                       | <a href="#">43097</a> | Colombia          | Davivienda offers a wide range of financial services to clients in Colombia. The project will improve access to finance for low-income households who are beneficiaries of the government's social housing program, for women-owned SMEs that traditionally face a significant financing gap in the country, and for green assets.  | <b>50.00</b>                            |      |
| Microfinance    | <b>Kaebauk Investimentu no Finansas</b>            | <a href="#">44476</a> | Timor-Leste       | Kaebauk Investimentu no Finansas (KIF) is the largest microfinance institution in Timor-Leste. The project will improve access to finance for micro-borrowers and for farmers and other participants in agriculture supply chains, with a prioritization to women borrowers.  | <b>0.50</b>                             |     |
| Microfinance    | <b>Simple Credit Micro-Lending Company Limited</b> | <a href="#">42086</a> | China             | Simple Credit is a microfinance company in China. The project will support the company in growing its digital agriculture lending business primarily in frontier regions of China and promote access to finance for MSMEs along the agriculture supply chain.   | <b>21.21</b>                            |      |



| Sector       | Institution Name                           | Project ID            | Country or Region | Description  | Eligible Loan Commitment (USD millions) | Sustainable Development Goals  |
|--------------|--|-----------------------|-------------------|--|---|--|
| Microfinance | CD Finance Management Company Limited      | <a href="#">41879</a> | China             | CFPA Microfinance Management Co.,Ltd (now known as CD Finance Management Co.,Ltd) was founded by the China Foundation for Poverty Alleviation in 2008 and focuses on inclusive finance in rural areas in China. It has operations in 20 provinces across China. The project targets supporting micro and very small enterprises, particularly women borrowers, in rural areas in Gansu, one of the poorest provinces in China. | 50.00                                   |  <br>  |
| Microfinance | BT Microfinantare IFN S.A.                 | <a href="#">41641</a> | Romania           | BT Microfinantare (BT Mic), a subsidiary of Banca Transilvania, is a microfinance institution in Romania. The project will enhance access to microfinance for underserved groups of the population, particularly women borrowers.  | 9.80                                    |     |
| Microfinance | Microfinance Organization Arnur Credit LLP | <a href="#">42099</a> | Kazakhstan        | Arnur Credit is among the leading microfinance organizations in Kazakhstan, primarily active in the southern regions of the country and focused on micro and agricultural clients. The project will expand access to micro and small loans for unserved and underserved populations to include women borrowers and MSEs in Kazakhstan's remote areas, particularly smaller businesses engaged in agriculture.                  | 4.00                                    |     |
| Microfinance | Microcredit Depozit Organisation Humo CJSC | <a href="#">42160</a> | Tajikistan        | Humo is one of the leading microfinance institutions in Tajikistan, primarily focused on servicing underserved individuals and micro and small enterprises (MSEs) in marginalized regions. The project will increase access to financial services for MSEs and access to housing microfinance for underserved populations in rural areas.  | 2.00                                    |     |
| Microfinance | Kreditimi Rural i Kosovës L.L.C            | <a href="#">42368</a> | Kosovo            | Kreditimi Rural I Kosoves is the third largest microfinance institution in Kosovo. The project will increase access to finance to micro and small enterprises, with a focus on agribusinesses and farmers.   | 1.67                                    |     |
| Microfinance | Microfinance organization KMF LLC          | <a href="#">42463</a> | Kazakhstan        | KMF is a leader in the Kazakhstan microfinance sector with strong outreach across the country. The project will expand access to finance for underserved micro and small enterprises in remote areas, including women borrowers.   | 50.00                                   |      |
| Microfinance | CJSC Bank Arvand                           | <a href="#">42472</a> | Tajikistan        | Arvand is one of the leading microfinance institutions in Tajikistan. The project will support expansion of Arvand's lending program to micro and small enterprises and to provide micro housing loans for individuals, mostly in rural areas of Tajikistan, who need improved living conditions.  | 2.50                                    |     |
| Microfinance | KEP Trust                                  | <a href="#">42572</a> | Kosovo            | KEP is Kosovo's largest microfinance institution targeting economically active poor and low-income groups. The project will expand access to finance to micro and small enterprises, with a focus on agribusiness borrowers including farmers.   | 2.23                                    |     |
| Microfinance | Agency for Finance in Kosovo               | <a href="#">42580</a> | Kosovo            | AFK is a microfinance institution in Kosovo that focuses on micro and small enterprises. The project will expand access to finance for microenterprises, with a focus on agribusinesses and small farmers.   | 1.12                                    |     |
| Microfinance | ACEP Burkina SA                            | <a href="#">40839</a> | Burkina Faso      | Alliance de Crédit et d'Epargne pour la Production is a microfinance institution operating in Burkina Faso. The project will support the company in expanding access to finance for MSMEs, including women-owned and agribusinesses in rural areas.  | 2.00                                    |     |

| Sector                           | Institution Name   | Project ID            | Country or Region | Description  | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|----------------------------------|--|-----------------------|-------------------|--|---|---|
| Microfinance                     | Union des Mutuelles Alliance de Credit et d'Epargne pour la Production | <a href="#">43641</a> | Senegal           | Union des Mutuelles Alliance de Cr dit et d'Epargne pour la Production (UM-ACEP) is a union of local cooperatives in Senegal, currently consisting of 11 individual credit and savings cooperatives. The project will expand financial access to MSMEs, including women-owned and agribusinesses in rural areas.   | 7.00                                    |      |
| Microfinance                     | Private Joint-Stock Commercial Bank Davr Bank                          | <a href="#">42930</a> | Uzbekistan        | DAVR Bank is a universal bank providing a wide range of services, primarily for MSMEs and individuals. The project will increase access to finance for MSMEs, including for women-owned enterprises.   | 5.00                                    |             |
| Microfinance                     | C.A. Credifinanciera S.A. CF   | <a href="#">40940</a> | Colombia          | Credifinanciera is a medium sized bank with a focus on low and middle-income borrowers. The project will increase access to finance to microentrepreneurs and pensioners, both underserved and vulnerable segments of the population in Colombia and promote the market adoption of a business model that effectively provides access to finance to the elderly.   | 10.18                                   |      |
| Microfinance                     | Caja de Compensacion de Asignacion Familiar Los Heroes                 | <a href="#">40295</a> | Chile             | Los Heroes is a non-profit organization offering affordable financial products to underserved segments of the population, including low-income workers and retirees. The project will increase access to finance for these individuals who are currently underserved by traditional financial system.  | 10.00                                   |     |
| Gender Finance/ Banking on Women | PT Bank BTPN Tbk   | <a href="#">41698</a> | Indonesia         | Bank BTPN is a mid-sized commercial bank with a focus on financial inclusion, and it targets low income pensioners, MSMEs and women entrepreneurs at the base of the pyramid in Indonesia. The investment aims to support the Bank's lending program to MSMEs and women-owned SMEs.  | 25.00                                   |             |
| Gender Finance/ Banking on Women | Mahindra & Mahindra Financial Services Limited                         | <a href="#">42373</a> | India             | MMFSL is a rural focused NBFC in India. The project aims to support the Bank's lending program to MSMEs including very small enterprises and women-owned SMEs, particularly in low income states.  | 75.00                                   |         |
| Gender Finance/ Banking on Women | PT Bank OCBC NISP Tbk  | <a href="#">43613</a> | Indonesia         | The bank is a publicly listed institution and offers financial services to its customers including a particular focus on small and medium enterprises in Indonesia. The project will support climate finance lending for green projects and access to finance for underserved women-owned SMEs.  | 100.00                                  |     |
| Gender Finance/ Banking on Women | JSC Bank of Georgia  | <a href="#">40689</a> | Georgia           | Bank of Georgia is a leading financial group in Georgia offering a full-range of universal banking services to its retail, MSME and corporate customers by harnessing strong customer relationships, continuous digital innovation, and cutting-edge banking solutions. The project will provide long-term funding to address two important needs in the country: lack of access to finance by SMEs and support for women-owned SMEs in the country. | 17.99                                   |     |
| Gender Finance/ Banking on Women | Bank of Ayudhya Public Company Limited                                 | <a href="#">41721</a> | Thailand          | The bank is a strategic subsidiary of MUFG Bank and ranks as the fifth largest commercial bank in Thailand in terms of total assets. The bank has a leading position in commercial and retail lending in Thailand. The project will support the bank's ongoing efforts to increase its lending portfolio to women-owned SMEs.  | 150.00                                  |     |

# COVID Projects

## Real Sector














The social bond eligible projects in the real sector were part of IFC's Real Sector Crisis Response Facility, set up to support the real sector clients that were experiencing or vulnerable to the economic impacts of COVID-19. The facility was catered to clients that:

- face significant disruption of migrant labor force and/or with manufacturing facilities in countries impacted directly or indirectly;
- form part of a disrupted supply chain;
- suffer from delayed settlement of receivables and loss of revenue;
- suffer from a sharp drop in the Asian demand for commodities;
- have a concentrated supplier base;
- operate in the hard-hit manufacturing sectors (e.g., automotive, consumer durables, electronics), agribusiness, retail, tourism and hospitality, health, transport and logistics (e.g., ports, last mile delivery), general infrastructure and utility (e.g., water, waste, gas, power) sectors; and
- experience significantly higher demand for their goods and services due to COVID-19, including online retail, pharmaceutical companies, clinics and medical equipment manufacturers.

| <b>Impact Highlights</b>           |                 |               |
|------------------------------------|-----------------|---------------|
| <b>Indicators</b>                  | <b>Baseline</b> | <b>Target</b> |
| Farmers reached (#)                | 28,000          | 32,000        |
| Direct employment (#)              | 5,380           | 5,500         |
| Patients Reached (#) <sup>10</sup> | 558,035         | 703,255       |

<sup>10</sup> The figure includes inpatient, outpatient, diagnostics and health plan patients.



| Sector           | Institution Name                    | Project ID            | Country or Region | Description  | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|------------------|-------------------------------------|-----------------------|-------------------|--|---|---|
| Agribusiness     | Agrofertil S.A.                     | <a href="#">44215</a> | Paraguay          | Agrofertil operates in the agribusiness sector in Paraguay. It is highly dependent on access to working capital facilities to finance the sale of inputs to farmers. Due to COVID-19, there is a risk that local banks in Paraguay reduce their financing to the real sector by decreasing financing lines to remain liquid. The investment will improve company's capacity to provide pre-harvest financing to farmers and will contribute to the development of agriculture sector in the market.  | 10.00                                   |          |
| Agribusiness     | DCM Shriram Limited                 | <a href="#">44204</a> | India             | DCM is a business conglomerate and listed on major stock exchanges in India. The investment will provide the necessary cash flow to expand DCM's current facilities and offer long-term working capital needs. The funds will also support the supply of goods and services in sectors affected by reduced demand and exchange rate volatility resulting from the pandemic.  | 39.70                                   |    |
| Health           | Conjunto Clinico Nacional CA        | <a href="#">44000</a> | Ecuador           | Conclina is one of Ecuador's largest integrated healthcare groups and operates (i) one of the largest private hospital in the country (Hospital Metropolitano), (ii) the third-largest health plan company, and (iii) a network of six outpatient clinics. IFC financing supports Conclina in its direct and indirect response to the COVID-19 outbreak in Ecuador. Supporting its clients' capacity to sustain operations during this acute shock is critical to ensuring the availability of quality health care services in Quito, both during the current crisis period and after. | 9.00                                    |          |
| Real Estate      | Phu My Hung Development Corporation | <a href="#">43981</a> | Vietnam           | Phu My Hung Development Corporation (PMH) is a large property developer and lessor in Vietnam. It is a major source of procurement for the local supply chain and leases spaces to more than 300 business, most of which are SMEs. The loan will help PMH maintain a sustainable financial strength to align with its long-term financing needs and continue its planned construction activities.  | 75.00                                   |    |
| Food & Beverages | OOO SP Nyva Pereyaslavshchyny       | <a href="#">44245</a> | Ukraine           | Nyva Pereyaslavshchyny (Nyva), is a vertically integrated pork producer with crop cultivation and processing, pig farming, slaughtering and meat processing operations. Due to COVID-19-related uncertainties in the supply chain of raw materials, Nyva is significantly increasing its inventory to avoid any production related disruptions. The project will fund working capital needs that the banking sector is unable to meet due to liquidity shortages.  | 20.00                                   |    |
| Food & Beverages | Mymensingh Agro Limited             | <a href="#">43681</a> | Bangladesh        | As one of entities of the PRAN group, Mymensingh Agro Limited is involved in the manufacturing of beverages and bakery items in several parts of Bangladesh. The project will support the working capital and capital expenditure requirements of MAL in its current facilities in Bangladesh.   | 25.00                                   |    |

## COVID Projects




























### Financial Sector

The social bond eligible projects in the financial sector were part of IFC's Financial Institutions Response Envelope that was set-up to provide financial institutions' clients with lines for trade finance, working capital, and risk mitigation solutions to help maintain trade flows, continue lending to MSMEs, support employment, and help mitigate the expected global economic slowdown as a result of COVID-19. IFC supported these institutions by leveraging an array of tools and investments, allowing for investments to be made across regions and countries impacted by the global economic impact of the outbreak.

#### Impact Highlights

| Indicators  | Baseline | Target |
|---|----------|--------|
| Number of Customers (including MSMEs) Supported <sup>11</sup> | -        | 18,035 |

| Sector                   | Institution Name                          | Project ID            | Country or Region | Description   | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|--------------------------|---|-----------------------|-------------------|---|---|---|
| COVID Response Financing | <b>Banco Daycoval S/A.</b>                | <a href="#">43220</a> | Brazil            | Daycoval is a wholesale funded bank that provides credit to middle market companies and serves payroll, auto and home equity loans for its retail clients. The acute shock resulting from COVID-19 has affected the bank operations. The project will offer Brazilian small and medium enterprises (SMEs) as well as women-owned SMEs the funding needs to sustain and support the economic recovery process. | 20.00                                   |         |
| COVID Response Financing | <b>Commercial Bank of Ceylon PLC</b>      | <a href="#">44214</a> | Sri Lanka         | Commercial Bank of Ceylon PLC (CBC) is a private commercial bank in Sri Lanka. CBC has a strong presence in wholesale funding and trade finance. The project is focused on alleviating the financing needs of companies and to maintain trade flows, stabilize the economy, support employment, and restore supplies of key goods and services.   | 18.75                                   |     |
| COVID Response Financing | <b>The City Bank Limited</b>              | <a href="#">42171</a> | Bangladesh        | City Bank is a commercial bank in Bangladesh and listed on both of the local bourses. The proceeds will be used to support working capital, trade finance and forex liquidity needs of the SMEs and corporate clients through the Bank's off-shore banking operation.   | 30.00                                   |      |
| COVID Response Financing | <b>Orient Commercial Joint Stock Bank</b> | <a href="#">43986</a> | Vietnam           | OCB provides a range of commercial banking services to both retail and commercial clients with a network of over 12 branches across 24 cities and provinces in Vietnam. The investment will provide timely liquidity to OCB and facilitate its on-lending of the proceeds towards MSMEs in Vietnam that are typically underserved by traditional commercial banks.  | 40.00                                   |      |
| COVID Response Financing | <b>Zenith Bank PLC</b>                    | <a href="#">43988</a> | Nigeria           | Zenith Bank is bank in Nigeria, offering an array of services to corporate, commercial and individual customers inside and outside Nigeria. The investment will advance the private sector in Nigeria to support the economic recovery process and shorten the time it will take for the most vulnerable people in the country to return to their traditional livelihood.                                     | 100.00                                  |      |

| Sector                   | Institution Name                                 | Project ID            | Country or Region       | Description  | Eligible Loan Commitment (USD millions) | Sustainable Development Goals   |
|--------------------------|--|-----------------------|-------------------------|--|---|---|
| COVID Response Financing | <b>Equity Bank Kenya Limited</b>                 | <a href="#">43989</a> | Kenya                   | EBK is a systemic bank and Kenya's #1 MSME bank with a 10% market share in this segment accounting for 59% of EBK's loan portfolio. It is a leader in the provision of inclusive financial services and the transformation of livelihoods. EBK has a substantial nationwide presence in the country through its network of 180 branches and 55,000 banking agents, serving over 10 million customers. The WCS Facility will help bridge the significant shortfalls in revenues of MSMEs, thereby increasing the likelihood for MSMEs to survive/ benefit from a gradual economic recovery, especially for those businesses whose cash flows have been disrupted by the pandemic. | 50.00                                   |          |
| COVID Response Financing | <b>Commercial International Bank SAE</b>         | <a href="#">44017</a> | Egypt, Arab Republic of | Commercial International Bank SAE (CIB) is a commercial bank in Egypt. The project will help CIB clients' capacity to sustain operations during the pandemic and offer the necessary financing required by its diverse clientele, including and small and medium-sized enterprises in the country.   | 100.00                                  |          |
| COVID Response Financing | <b>Access Bank PLC</b>                           | <a href="#">44047</a> | Nigeria                 | Access Bank is a Nigerian commercial bank operating through a network of more than 660 branches and service outlets, spanning 12 countries, and 36 million customers. The investment will support Access Bank to increase lending to companies importing raw materials and provide access to finance to corporations and small and medium enterprises that have been affected by the pandemic.   | 50.00                                   |          |
| COVID Response Financing | <b>NSIA Banque Cote d'Ivoire, S.A.</b>           | <a href="#">44054</a> | Cote D'Ivoire           | The loan is IFC's first investment in Côte d'Ivoire as part of the fast-track financing support package. The loan will increase access to finance for small and medium scale entrepreneurs who will drive the economic growth and job creation in the country.   | 28.00                                   |          |
| COVID Response Financing | <b>Banco Multiple BHD Leon, S.A.</b>             | <a href="#">44083</a> | Dominican Republic      | The funding will be used as working capital lines to SMEs that have been significantly affected by the pandemic. It will also allow IFC to continue supporting Banco Múltiple BHD León, the second-largest privately owned financial institution and a strategic client in Dominican Republic, with a clear focus on SMEs and a wide branch network, as the country goes through post crisis recovery.   | 60.00                                   |          |
| COVID Response Financing | <b>First City Monument Bank Limited</b>          | <a href="#">44091</a> | Nigeria                 | First City Monument Bank (FCMB) is a mid-sized commercial bank with total assets of \$4.2 billion. The investment will be used to help companies manage cash flows that are impaired as a result of the pandemic, and support FCMB's lending to the Group's companies as well as small and medium entrepreneurs to sustain their operations.   | 50.00                                   |    |
| COVID Response Financing | <b>Turkiye Garanti Bankasi AS</b>                | <a href="#">44237</a> | Turkey                  | The pandemic has severely affected the Turkish banking sector. The investment will be used to support the country's small and medium scale entrepreneurs to service their debt obligations and help them sustain current employment levels.  | 50.00                                   |    |
| COVID Response Financing | <b>Bank of Maldives PLC</b>                      | <a href="#">43969</a> | Maldives                | Bank of Maldives is the largest bank in Maldives with a presence in every island. The funding will be on-lent by the bank through working capital loans to support private sector companies and SMEs in tourism and services sectors severely impacted by the pandemic.  | 20.00                                   |    |
| COVID Response Financing | <b>The Standard Bank of South Africa Limited</b> | <a href="#">44010</a> | South Africa            | Standard Bank is the largest African financial services group by assets. It offers a comprehensive range of retail, commercial, corporate, and investment banking services in South Africa. The funding will finance COVID-19 relief for South African corporations and SMEs, including the purchase and production of goods and services needed to cope with the effects of the pandemic and subsequent lockdowns.  | 185.00                                  |    |





## Appendix A

# IFC Social Bond Program Process

**The IFC Social Bond Program follows best market practices and is compliant with the Social Bond Principles.**

### Component 1: Use of Proceeds

Net proceeds from IFC Social Bonds are allocated to a sub-portfolio linked to lending operations for social bond eligible projects. Only the loan portions of projects are eligible for funding via social bond proceeds. Equity investments and guarantees are ineligible.

Eligible projects are funded, in whole or in part, by IFC and meet the requirements as stipulated within the Social Bond Principles and selected from IFC's Banking on Women, Inclusive Business programs and COVID-19 response facility.

### Component 2: Evaluation and Selection

In addition to meeting social bond eligibility criteria, all projects financed undergo a rigorous due diligence process. Eligible Projects comply with IFC Performance Standards on Environmental and Social Sustainability and the IFC Corporate Governance Framework. Projects are subject to ongoing monitoring and supervision.

### Component 3: Management of Proceeds

All proceeds from IFC Social Bonds are set aside in a designated Social Cash Account and invested in accordance with IFC's conservative liquidity policy until disbursement to Eligible Projects.

The Social Cash Account tracks the difference between the balance of outstanding social bonds and outstanding Eligible Project loans. The Social Cash Account balance decreases as disbursements are made towards

Eligible Projects or the social bonds mature, and it increases as new social bonds are issued or Eligible Projects are repaid. Disbursement requests for Eligible Projects take place in accordance with IFC's established policies and procedures and are often made over a period of time depending on project milestones.

In some cases, the social-related component of a project supported by social bonds forms part of a larger investment. In such instances, the social bond portfolio only finances the eligible portion of the project. Monitoring and supervision of Eligible Projects comprises regular reports by the investee company on project activities and performance throughout the lifetime of investment.

IFC is rated triple-A by Standard & Poor's and Moody's. The payment of interest and the principal of the Social Bonds is strictly based on the credit quality of IFC and is not directly affected by the result of the underlying investments that IFC makes.

### Component 4: Reporting

IFC's Social Bond Impact Report follows best practice and the Social Bond Principles' guidance for reporting outlined in the report, "Working Towards a Harmonized Framework for Impact Reporting for Social Bonds", which aims to ensure integrity of the market through increased transparency.

The report provides a list of projects eligible for funding from social bond proceeds and, subject to confidentiality considerations, provides a brief description of each project, the eligible loan amount, and the expected social impact. The report only covers projects eligible for social bond financing.



## > Selecting Impact Metrics

For the past decade, IFC and other multilateral and bilateral development institutions have worked to identify common development indicators for investment projects. These efforts led to the ***Harmonized Indicators for Private Sector Operations (HIPSO)***, agreed upon by 26 international finance institutions. The indicator list is primarily comprised of sector-level outcome indicators.

To report on the impact of our Social Bond Program, IFC uses many of the sector-specific indicators<sup>12</sup> agreed upon in the partnership with Harmonized Indicators for Private Sector Operations, incorporating additional indicators as needed. Indicators include:

### Real Sector

- Farmers Reached
- Number of mobile subscriptions (people reached)
- Patients Served
- Students Reached

### Financial Sector

- Number of outstanding loans to women-owned SMEs<sup>13</sup>
- Number of outstanding microfinance loans
- Number of outstanding housing loans



## > Identifying Target Populations

IFC's Social Bond Program targets underserved people who lack access to the basic goods and services that are important aspects of well-being, women-owned small business owners who lack access to finance, and low-income households with limited livelihood opportunities, such as smallholder farmers with no market for their crops. Investments in financial intermediaries ensure that financial services are available to people IFC cannot reach directly, such as micro, small, and medium-sized enterprises.

As recommended by the Social Bond Principles in the guidance document, "Working Towards a Harmonized Framework for Impact Reporting for Social Bonds"<sup>14</sup>, the Eligible Project section of this report provides a description of the target population by sector. In the case of COVID-19 projects, the target population is deemed to be the general populous.

## > Interpreting Indicators

Wherever possible, IFC strives to quantify impact per sector. Impact may be described qualitatively when indicators are unavailable or cannot be disclosed for confidentiality reasons.

Impact indicators are tracked on a client-level basis and based on company-reported data. Indicators have not been prorated for the portion of IFC's contribution.

Social Bond Program reporting allows for quantification of a core indicator per sector, but it is important to appreciate the limitations of data reported. The main considerations to interpret results are:

- **Scope of results:** Reporting is based on ex-ante estimates at the time of project approval and mostly for direct project effects.
- **Uncertainty:** An important consideration in estimating impact indicators is that they are often based on a number of assumptions. Actual impact of projects may diverge from initial projections.
- **Comparability:** Caution should be taken in comparing projects, sectors or portfolios because baselines (and base years) may vary. In addition, sector and country context should also be taken into consideration.
- **Omissions:** Projects may have impact across a much wider range of indicators than captured in the reporting and may have other important development impacts. Furthermore, the core indicator is not applicable for some projects, or the data are not available.

## > IFC Access to Information Policy

The Access to Information Policy is the cornerstone of the IFC Sustainability Framework and articulates our commitment to transparency.

We seek to provide accurate and timely information regarding our investment and advisory activities to clients, partners and stakeholders, and we disclose relevant information pertaining to project, environmental and social implications, as well as expected development impact prior to consideration by our Board of Directors.

This commitment applies to projects funded by the Social Bond Program.

For more information on IFC's Social Bond Program, visit [www.ifc.org/socialbonds](https://www.ifc.org/socialbonds).

<sup>14</sup> See: <https://www.icmagroup.org/green-social-and-sustainability-bonds/impact-reporting/>





## Appendix B

# Description of Adjustments to Commitments and Disbursements from previous years

One project that was classified as eligible and committed under the former Banking on Women Program in FY16 was determined to be ineligible for social bond funding in FY20. The project was changed from a senior A-loan to a quasi-equity loan, making it ineligible for social bond funding. As a result, the FY17 disbursement amount for the Middle East and North Africa region and the Gender Finance sector was corrected to \$7 million and \$40 million, respectively.

## Authors

This report was prepared by IFC's Funding & Investor Relations team.

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