COFIDES

Capital para tu inversión exterior

Innovative Financing for Energy Projects

ABOUT COFIDES

The Spanish Financing Company for Development, **COFIDES,** S.A., S.M.E., is a state-owned company **incorporated by:**

ICEX 25,74% + **ICO 20,31%** + **BBVA 16,68%** + **BANCO SANTANDER 11,83%** + **BANCO POPULAR 8,34%** + **BANCO SABADELL 8,33%** + **ENISA 7,63%** + **CAF 1,14%**

Public capital: 54%
Private capital: 46%

Its goal is to **finance** private **viable investment projects abroad** with a Spanish stake, in order to contribute, based on profitability criteria, to host country **development** and to the **internationalization** of Spanish companies.

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SCOPE

- **Spanish companies internationalization (loan or capital) – Management Funds FIEX and FONPYME**

FIEX FONPYME COFIDES Capital para tu inversión exterior

- **Support to the Ministry of Foreign Affairs and Develoment in FONPRODE's management**

FONPRODE

- **Pillar-Assessed entity to the EU**

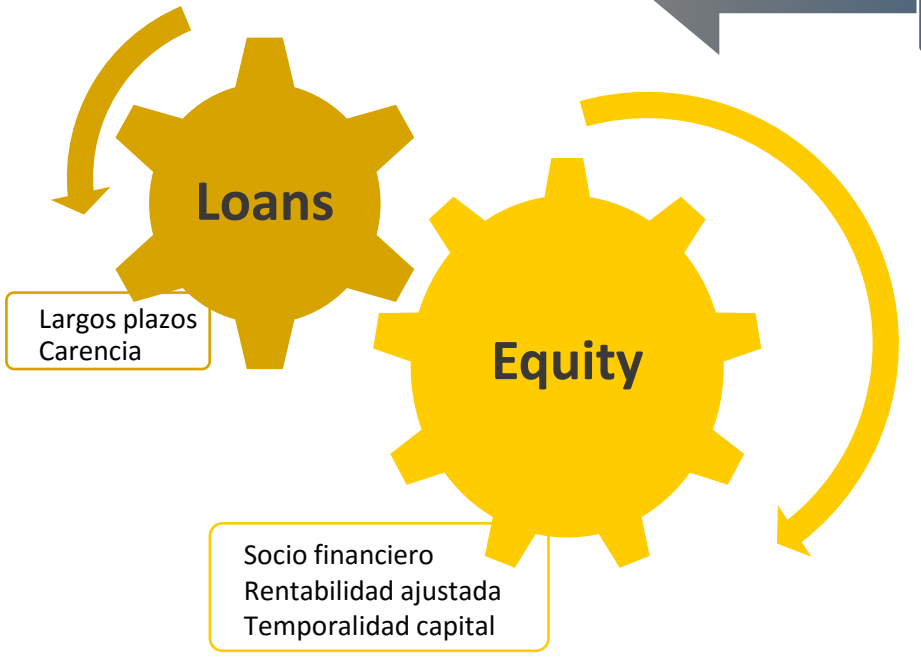
European Commission

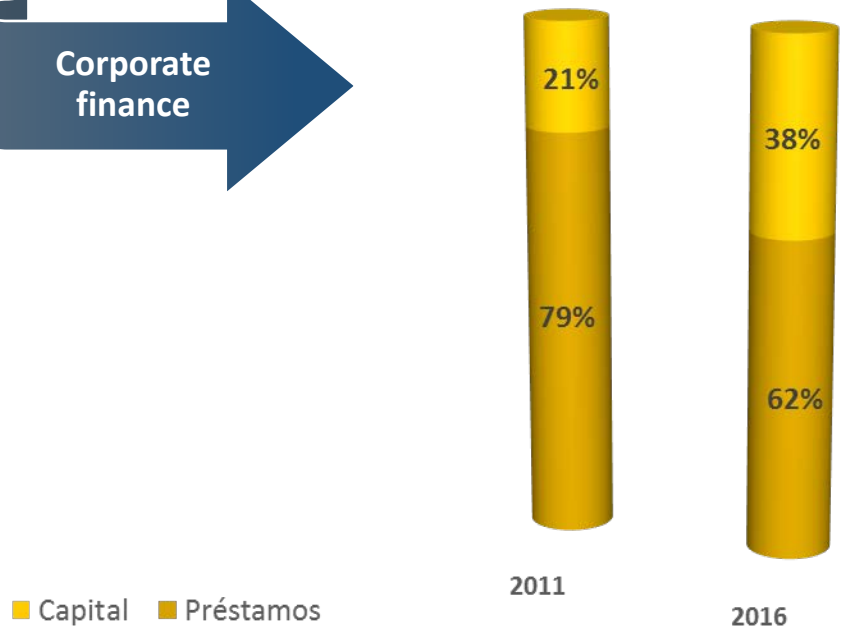
- **Working in the accreditation to the Green Climate Fund**

GREEN CLIMATE FUND

Elegibilidad

Project finance → **Corporate finance**





Instrumentos

COFIDES IN THE AFRICAN REGION

- Around **162 investment projects** in Africa (55% loans and 45% equity)
- COFIDES has contributed to an **overall portfolio** of around **7.7 billion €** since 1990, of which 6.5 billion in the Subsaharian region and 1.2 in Northen Africa
- During the 1990-2016 period COFIDES has contributed to generating more than **21,000 jobs** in Africa.
- COFIDES investments also generates relevant tax revenues for African Governments. COFIDES portfolio has generated around **13 million € in tax revenues** in Africa

Financing for Development Agenda
Policy Coherence

Addis Ababa Action Agenda on Financing for Development

European Neighbourhood Policy
JOIN(2015)50F

Paris Agreement on climate change – cop 21
COM(2015)81F/2

EU New Partnership Framework with third countries under the European Agenda for migration - COM(2016)385F

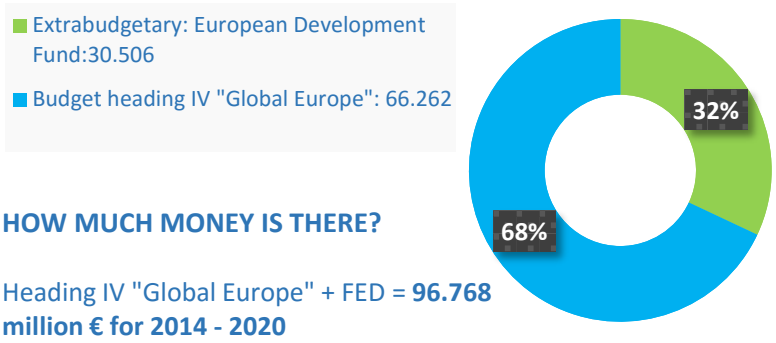
Agenda for Change
COM(2011)637F

New proposed European Consensus on Development

EU ASSESSMENT

- The European Union, together with all Member States, **is the world's largest donor** of development cooperation.

EXTERNAL ACTION FUNDS EU 2014 - 2020



HOW MUCH MONEY IS THERE?

Heading IV "Global Europe" + FED = **96.768 million € for 2014 - 2020**

- The budget can be implemented through **assessed entities.**
- On May 2016, **COFIDES became an assessed entity** for indirect management of the EU Budget for development cooperation.
- This assessment allows COFIDES to **co-finance EU projects within the blending framework**.

Governance: blending frameworks

EDF blending framework

- Facility for Pacific
- Africa Facility
- Caribbean Facility

DCI blending framework

- Asian Facility
- Central Asian Facility
- Latin America Facility
- Thematic (ElectriFI – AgriFI...)

ENI blending framework

- Neighbourood Investment Facility

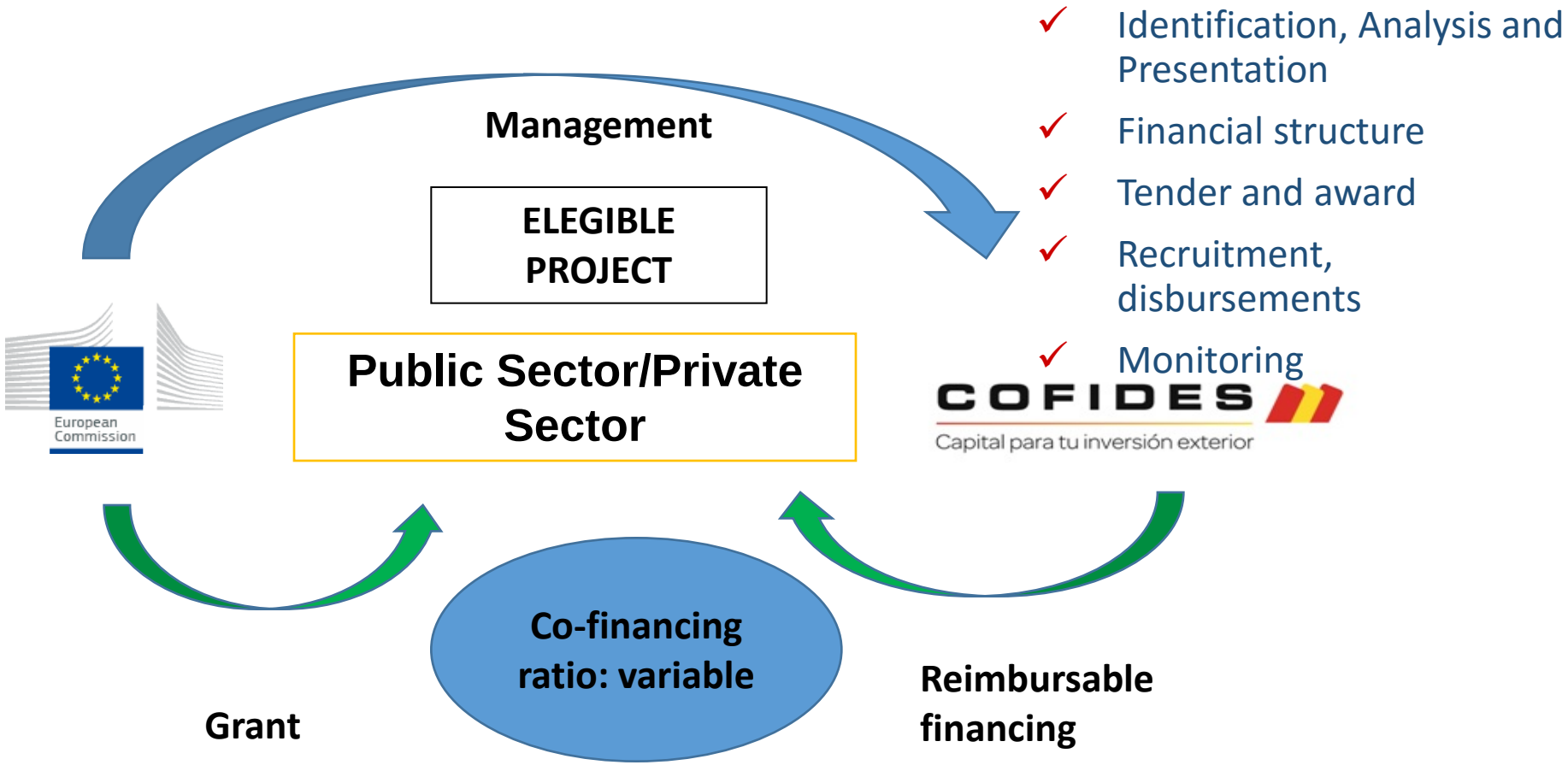
IPA blending framework

- Western Balkans Investment Framework

Fuente: Comisión Europea

ABOUT BLENDING

- **Blending** combines EU **grants** with **loans, equity or other type of contributions (reimbursable)** from an accredited financier, in this case, COFIDES.



- ✓ Identification, Analysis and Presentation
- ✓ Financial structure
- ✓ Tender and award
- ✓ Recruitment, disbursements
- ✓ Monitoring

BLENDING'S FEATURES

Public Sector

- Tender (with some exceptions: PPP)
- Public company
- Examples of priority sectors: infrastructures, renewable energies, water sanitation, ICT and social.

Private Sector

- Local private sector support
- Two priority sectors:
  - ✓ Rural electrification (ElectriFi)
  - ✓ Inclusive agriculture (AgriFi)

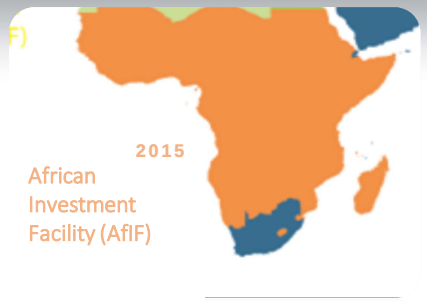
Eligibility criteria

- Geographical scope: countries included in the EU external cooperation regions
- Development contribution of the beneficiary country
- Alignment with EU priorities
- Economic-financial and technical feasibility of the Project
- Socio-environmental risks control
- Project sustainability and Maintenance

Geographical Scope

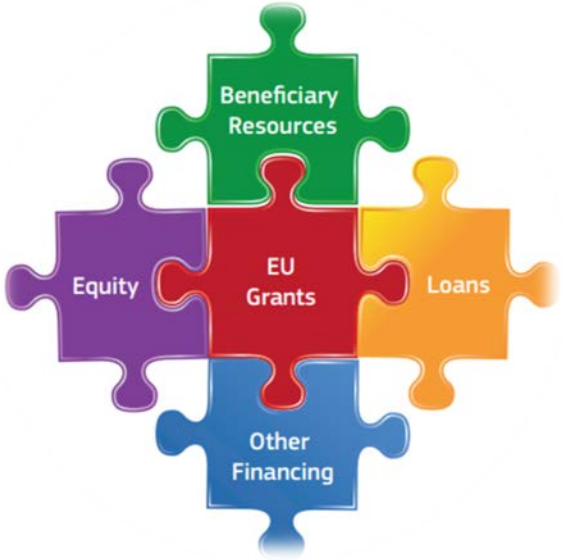
ELEGIBLE COUNTRIES IN THE AFRICAN REGION

Africa Investment Facility (AFIF)



- Angola
- Benin
- Botswana
- Burkina Faso
- Burundi
- Cape Verde
- Cameroon
- Chad
- Comoros
- Congo Brazzaville
- Ivory Coast
- DR Congo
- Eritrea
- Ethiopia
- Gabon
- Gambia
- Ghana
- Guinea-Bissau
- Equatorial Guinea
- R. Guinea
- Kenya
- Lesotho
- Liberia
- Madagascar
- Malawi
- Mali
- Mauritania
- Mauricius
- Mozambique
- Namibia
- Niger
- Nigeria
- Rwanda
- Central African Republic
- Sao Tome and Principe
- Senegal
- Seychelles
- Sierra Leona
- Somalia
- Swaziland
- Sudan
- Tanzania
- Togo
- Uganda
- Djibouti
- Zambia
- Zimbabwe

BLENDING – EU CONTRIBUTION



Types of instrument (non- reimbursable)

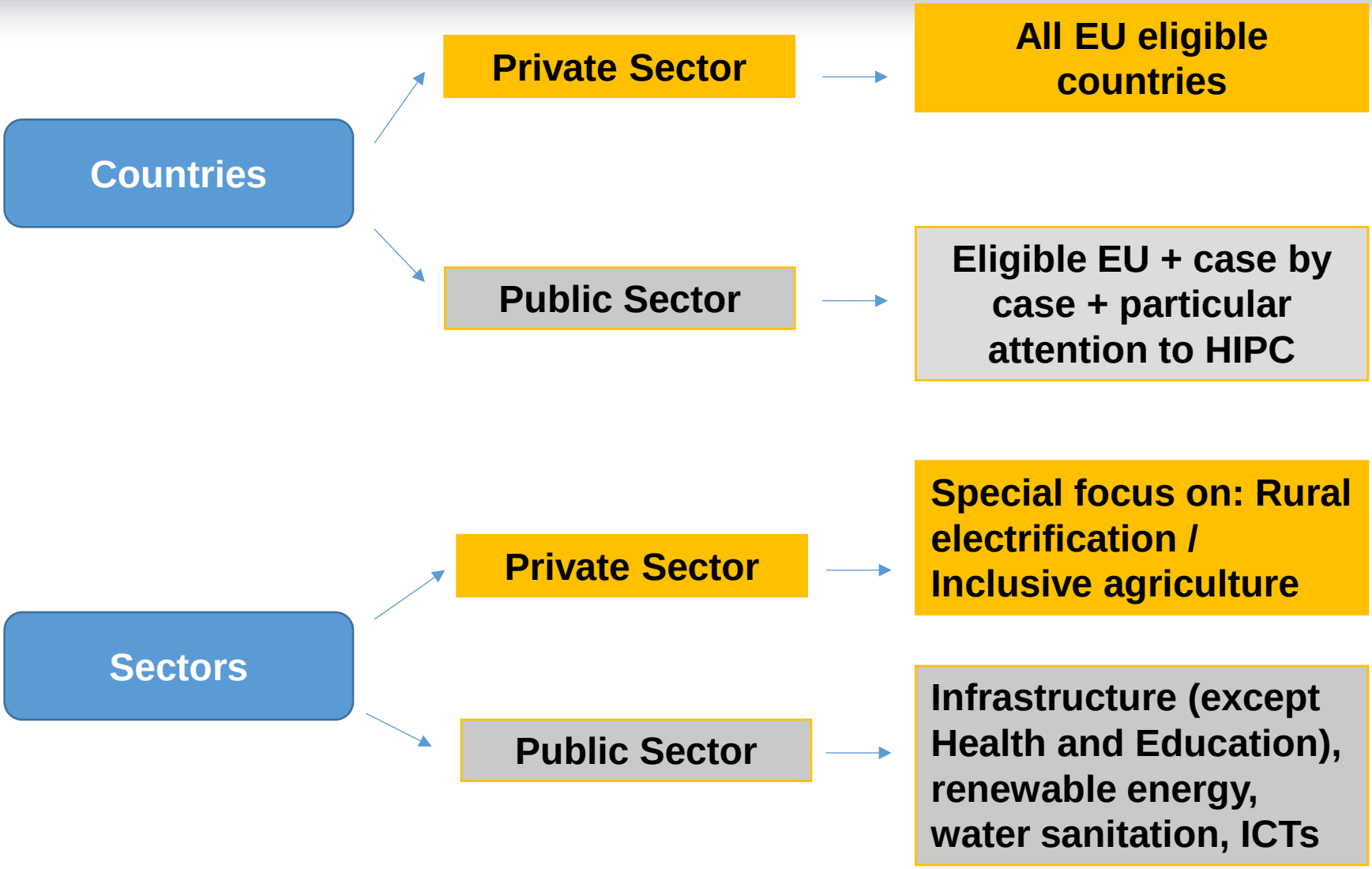
- Investment Grant
- Technical Assistance
- Interest rate subsidy

→ Cost reduction

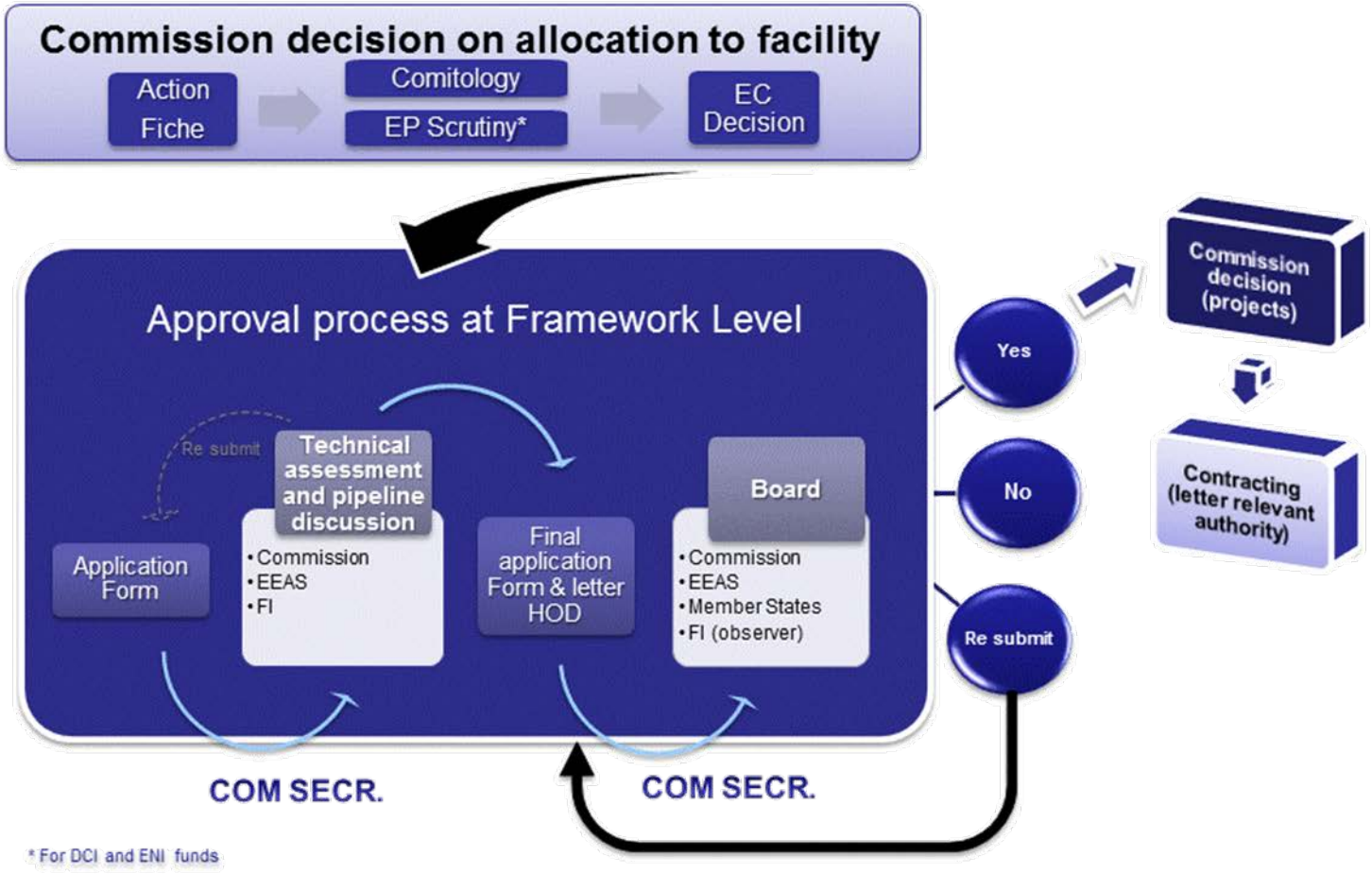
- Risk Capital (first loss)
- Guarantees

→ Risk reduction

BLENDING – ELIGIBILITY

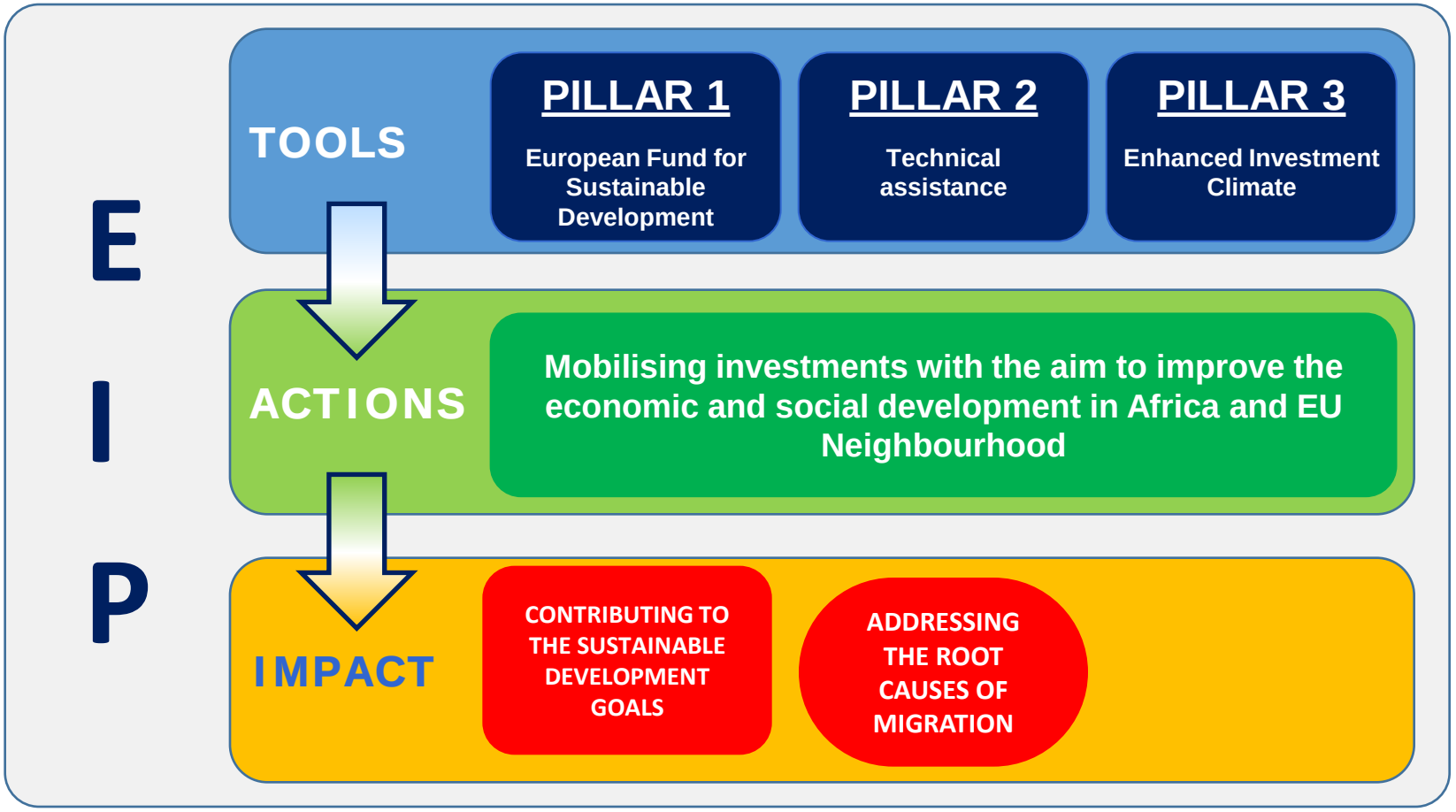


PROJECT FLOW

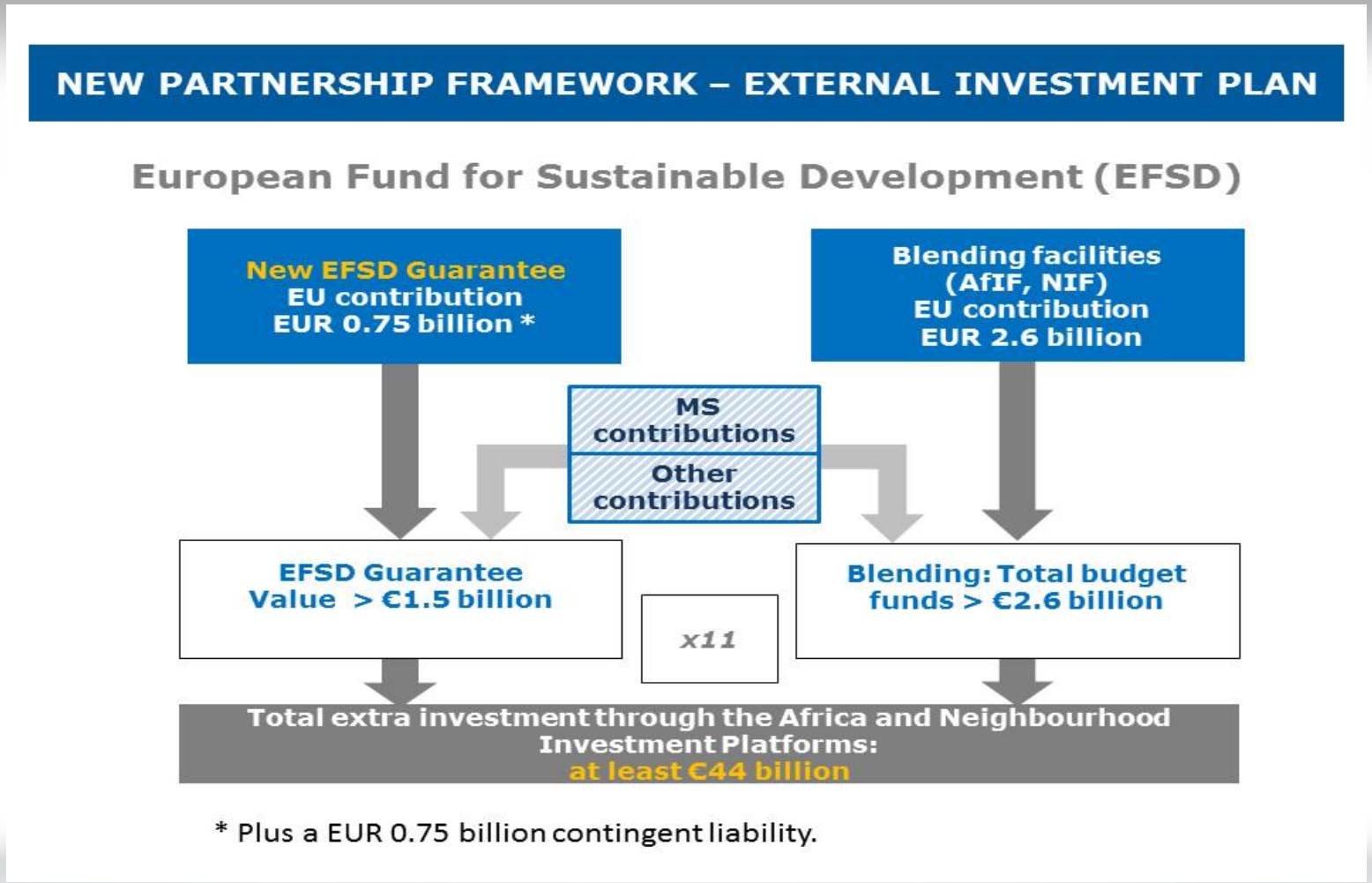


Fuente: Comisión Europea

THE EUROPEAN INVESTMENT PLAN
Rationale



The European Fund for Sustainable Development (EFSD)



Fuente: Comisión Europea

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Thank you for your attention

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