



HIGHLIGHTS FROM THE 2023 IFC ANNUAL REPORT

In fiscal year 2023, IFC committed a record \$43.7 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to improve people's lives as economies grapple with the impacts of global compounding crises.

LETTER FROM MAKHTAR DIOP

IFC Managing Director



This year brought a continued wave of challenges with global growth slowing sharply, extreme poverty increasing, the climate crisis intensifying, and new conflicts emerging. As these overlapping crises continued to intensify, IFC responded with scale and speed. Most importantly, we recognized that business as usual wouldn't do, and we raised our ambition to meet the moment.

And in FY23, we delivered. We made over \$43 billion in total investment commitments — the largest volume in our history. We set a record for climate commitments, which surpassed \$14 billion. We exceeded our gender targets. And we mobilized over \$15 billion from external partners — another record.

These are impressive numbers, but what they really represent is jobs created, women entrepreneurs getting access to financial services, greenhouse gas emissions being slashed, and much more. Our achievements this year also speak to how we are reshaping IFC. We have made several changes to how we work that cut bureaucracy and empower frontline staff to take more risks and respond to emerging needs faster. The result? Bold interventions that disrupt crises and drive impact.

Across the world, we are deploying our full arsenal of tools to achieve scale: setting standards, developing innovative financial solutions, using public-private partnerships to build sustainable infrastructure, and mobilizing capital. We are supporting the ingenuity of entrepreneurs who form the backbone of economies around the world — helping small businesses from Cameroon to the Kyrgyz Republic get access to financing. We are focusing on the massive untapped potential of female entrepreneurs in our efforts to address a more than \$5 trillion financing gap for micro, small, and medium enterprises (MSMEs).

To ensure the most vulnerable have access to food, we launched a \$6 billion Global Food Security Platform and have worked to stabilize volatile food markets and provide much-needed finance to companies along the food supply chain.

In tackling global challenges — from food security to climate change — we must bridge the gap for private investors to access emerging markets and developing economies by mitigating the risks of pioneering investments. That's why we deployed a record level of blended concessional finance to de-risk high-impact investments, and we continue to launch new facilities to address emerging needs in middle-income countries. IFC now has over 30 different mobilization vehicles, including MCCP One Planet, the world's first portfolio of emerging market loans aligned with the Paris Agreement.

The World Bank Evolution Roadmap calls on us to do more to address intertwined global challenges. This year we continued retooling IFC to help unlock innovation and deliver more sustainable private sector solutions that lift people up. I am especially heartened by our team, who are behind the projects and initiatives detailed in this report. With talent, passion, and purpose on our side, I am confident that a more virtuous cycle — one that ends poverty, protects the planet, and creates inclusive growth — is within reach.

Makhtar Diop

Managing Director

HIGHLIGHTS OF ANTICIPATED IMPACT FROM FY23 PROJECTS



11.5M TONS

GHG emissions reduction of CO2 equivalent each year



2.2-3.1M

Estimated number of direct, indirect, and induced jobs created¹



2.2M

Number of additional outstanding MSME loans, of which 1.4 million are to women



\$11.2B

Volume of additional trade finance supported



496k

Additional farmers reached



34.5M

Number of additional direct fixed/mobile internet connections

1. Employment estimates are computed for individual projects using IFC's economic impact estimation framework. The framework comprises sector-specific models and a variety of assumptions across countries and sectors. For financial intermediaries, the estimate includes on-lending of IFC funds only. Client banks' portfolios grow more than the IFC funding alone, partly because IFC's contribution catalyzes additional funding and partly because the growth is contractually agreed with IFC. This additional expansion, which is hard to attribute precisely, could represent the creation of several million jobs.

IFC OPERATIONAL HIGHLIGHTS

Dollars in millions, for the years ended June 30

	2023	2022	2021	2020	2019
Investment Commitments¹	\$43,728	\$33,592	\$31,803	\$28,616	\$25,520
Long-Term Investment Commitments					
FOR IFC'S OWN ACCOUNT	\$16,677	\$12,569	\$12,474	\$11,135	\$ 8,920
Number of projects	325	296	313	282	269
Number of countries	78	68	71	67	65
MOBILIZATION ²	\$15,029	\$10,596	\$10,831	\$10,826	\$10,206
Syndicated loans	\$ 5,492	\$ 3,475	\$ 3,647	\$ 4,989	\$ 5,824
IFC initiatives & other	\$ 5,810	\$ 3,311	\$ 3,693	\$ 3,370	\$ 2,857
Asset Management Company (AMC) Funds	\$ 14	\$ 248	\$ 244	\$ 50	\$ 388
Advisory Mobilization ³	\$ 3,712	\$ 3,562	\$ 3,246	\$ 2,417	\$ 1,137
TOTAL LONG-TERM INVESTMENT COMMITMENTS	\$31,705	\$23,166	\$23,305	\$21,961	\$19,126
Short-Term Investment Commitments					
For IFC's own account ⁴	\$11,027	\$ 9,659	\$ 8,195	\$ 6,469	\$ 5,764
Mobilization	\$ 996	\$ 767	\$ 303	\$ 186	\$ 630
TOTAL SHORT-TERM INVESTMENT COMMITMENTS	\$12,023	\$10,426	\$ 8,498	\$ 6,655	\$ 6,394
Investment Disbursements					
For IFC's account	\$18,689	\$13,198	\$11,438	\$10,518	\$ 9,074
Syndicated loans	\$ 2,443	\$ 2,589	\$ 1,309	\$ 2,231	\$ 2,510
TOTAL INVESTMENT DISBURSEMENTS	\$21,132	\$15,787	\$12,747	\$12,749	\$11,584
Portfolio Exposure⁵					
Number of firms	1,928	1,848	1,822	1,880	1,930
For IFC's account	\$70,069	\$63,763	\$64,092	\$58,650	\$58,847
Syndicated loans	\$15,312	\$15,235	\$15,658	\$16,161	\$15,787
TOTAL PORTFOLIO EXPOSURE	\$85,381	\$78,998	\$79,750	\$74,811	\$74,635
Advisory Services					
Advisory Services program expenditures	\$ 260.2	\$ 250.6	\$ 244.0	\$ 274.4	\$ 295.1
Share of program in IDA countries ⁶	54%	51%	54%	57%	59%

1. Investment Commitments include Long-Term Investment Commitments and Short-Term Investment Commitments.

2. Defined as "core mobilization" – non-IFC financing or risk sharing arranged on commercial terms due to the active and direct involvement of IFC for the benefit of a client. Excludes \$1,128 million of unfunded risk transfers that are accounted for under IFC's own account.

3. Advisory Mobilization includes third-party private financing that has been mobilized for public-private partnerships, as a result of IFC's role as lead transaction advisor. It also includes Corporate Finance Services, for projects in which IFC has provided transaction advisory services to help private sector clients expand into new markets, diversify and restructure operations, or bring in new equity investors.

4. Short-Term Finance includes Global Trade Finance Program (GTFP) and Global Trade Supplier Finance Program (GTSF).

5. Portfolio exposure is defined as the sum of the (i) committed exposure for IFC's debt investments, (ii) fair market value of IFC's equity investments, and (iii) total undisbursed equity commitments.

6. All references in this report to percentages of advisory program expenditures in IDA countries and fragile and conflict-affected areas exclude global projects.

Financial Highlights

Dollars in millions, as of and for the years ended June 30

	2023	2022	2021	2020	2019
Net income (loss)	\$ 672	\$ (464)	\$ 4,209	\$(1,672)	\$ 93
Grants to IDA	-	-	213	-	-
Income (loss) before grants to IDA	672	(464)	4,422	(1,672)	93
Total assets	\$110,547	\$99,010	\$105,264	\$95,800	\$99,257
Investments	51,502	44,093	44,991	41,138	43,462
Key Financial Ratios					
Overall liquidity ratio	104%	111%	114%	96%	104%
Debt-to-equity ratio	1.6	1.6	2.1	2.2	2.2
Capital available (\$ in billions)	34.8	32.5	30.7	28.2	27.8
Capital required (\$ in billions)	21.1	20.1	20.5	20.3	21.8
Capital utilization ratio ¹	60.7%	62.0%	66.6%	72.1%	78.4%
Total reserve against losses on loans to total disbursed portfolio	3.7%	4.4%	4.9%	6.3%	4.7%

1. Starting in FY22, IFC began using Capital Utilization Ratio (CUR), defined as (Capital Required divided by Capital Available), as a measurement of capital adequacy under IFC's updated capital adequacy framework. The CUR replaces the previous Deployable Strategic Capital (DSC) ratio. CUR and DSC ratio have a one-to-one mapping expressed as (CUR = 90% - DSC ratio).

FY23 Advisory Services Program Expenditures

Dollar amounts in millions

Total	\$260.2	100%
By Region		
Africa	\$ 98.5	38%
East Asia and the Pacific	\$ 34.2	13%
Global	\$ 31.7	12%
Latin America and the Caribbean	\$ 26.7	10%
South Asia	\$ 22.6	9%
Europe	\$ 21.2	8%
Middle East	\$ 13.1	5%
Central Asia and Türkiye	\$ 12.3	5%
By Business Area		
Advisory in IFC Industries	\$171.8	66%
Financial Institutions Group	69.5	27%
Transaction Advisory	42.8	16%
Manufacturing, Agribusiness & Services	37.3	14%
Infrastructure & Natural Resources	17.1	7%
Disruptive Technologies & Funds	5.2	2%
Creating Markets Regional Advisory	\$ 54.7	21%
Other Advisory, including Environment, Social & Governance	\$ 33.7	13%

"I AM CONFIDENT THAT A MORE VIRTUOUS CYCLE — ONE THAT ENDS POVERTY, PROTECTS THE PLANET, AND CREATES INCLUSIVE GROWTH — IS WITHIN REACH."

MAKHTAR DIOP, IFC MANAGING DIRECTOR

FY23 Long-Term Commitments

Dollar amounts in millions, for IFC's own account as of June 30, 2023

Total	\$ 16,677	100%
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By Industry

Financial Markets	\$ 8,602	51.58%
Infrastructure	\$ 2,447	14.67%
Manufacturing	\$ 1,519	9.11%
Agribusiness & Forestry	\$ 1,100	6.60%
Funds	\$ 990	5.94%
Tourism, Retail & Property	\$ 765	4.59%
Telecommunications & Information Technology	\$ 747	4.48%
Health & Education	\$ 505	3.03%
Natural Resources ¹	\$ 2	0.01%

By Region

Latin America and the Caribbean	\$ 3,885	23.29%
Africa	\$ 3,755	22.52%
East Asia and the Pacific	\$ 2,439	14.63%
Europe	\$ 2,190	13.13%
South Asia	\$ 2,130	12.77%
Central Asia and Türkiye	\$ 1,784	10.70%
Middle East	\$ 413	2.48%
Global	\$ 81	0.49%

By Product

Loans ²	\$14,135	84.76%
Equity ³	\$ 1,761	10.56%
Guarantees	\$ 704	4.22%
Risk-management products	\$ 76	0.46%

1. Includes IFC's activities in oil, gas, and mining.

2. Includes loan-type, quasi-loan products.

3. Includes equity-type, quasi-equity products.

FY23 Portfolio Exposure⁴

Dollar amounts in millions, for IFC's own account as of June 30, 2023

Total	\$70,069	100%
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By Industry

Financial Markets	\$26,986	39%
Infrastructure	\$10,146	14%
Funds	\$ 6,929	10%
Manufacturing	\$ 5,240	7%
Tourism, Retail & Property	\$ 4,210	6%
Agribusiness & Forestry	\$ 4,075	6%
Health & Education	\$ 3,901	6%
Telecommunications & Information Technology	\$ 3,778	5%
Trade Finance	\$ 3,544	5%
Natural Resources ¹	\$ 1,260	2%

By Region⁵

Africa	\$15,042	21%
Latin America and the Caribbean	\$14,688	21%
East Asia and the Pacific	\$12,910	18%
South Asia	\$ 9,005	13%
Europe	\$ 5,615	8%
Central Asia and Türkiye	\$ 5,387	8%
Global	\$ 5,111	7%
Middle East	\$ 2,312	3%

By Product

Loans ²	\$49,713	71%
Equity ³	\$14,760	21%
Guarantees	\$ 5,145	7%
Risk-management products	\$ 451	1%

4. Portfolio exposure is defined as the sum of the (i) committed exposure for IFC's debt investments, (ii) fair market value of IFC's equity investments, and (iii) total undisbursed equity commitments.

5. Excludes individual country shares of regional and global projects.

ABOUT IFC

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets and developing economies.

We work in more than 100 countries, using our capital, mobilization capacity, expertise, and influence to create jobs and raise living standards, especially for the poor and vulnerable.



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