

ANNUAL REPORT 2022

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Technical inspection tour at Olkaria Geothermal Power Plant, African Great Rift Valley. KfW/Auslöser-photographie



TOGETHER IN TEAM EUROPE FOR SUSTAINABLE GLOBAL TRANSFORMATION

Joint European Financiers for International Cooperation (JEFIC) is a network of European national bilateral development banks and financial institutions that mainly work with public sector partners in developing countries and emerging economies. JEFIC also plays an important role in leveraging the private sector and enhancing the local regulatory framework. JEFIC action is articulated around two main pillars, which are (i) strategy & advocacy and (ii) technical & financial cooperation. Committed to an efficient support to EU cooperation,

its members share and voice a common vision for a truly joined-up European development finance system for increased, effective investments towards the SDGs, providing best-in-class solutions and acting as a gateway between public and private sector. JEFIC members are pooling their respective strengths to put their broad collective expertise to best use and provide a wide and varied range of financial and non-financial services and support. Their goal is to ensure that the diversity of “Team Europe” works as an advantage for beneficiaries and partners.

JEFIC in numbers

COMBINED FUNDING VOLUME 2022	EUR 21 billion
OFFICES WORLDWIDE	200 offices in 85 countries, 5,500 staff members
JOINT PORTFOLIO 2022	EUR 134 billion
CURRENT TEI COMMITMENT	127 TEIs are currently being supported



Reuse of water from modernised sewage plants to alleviate water shortages in Cape Town, South Africa. KfW/Johnny Miller

A NEW IDENTITY AND VISUAL IN 2022

Already united in the Enhanced Partnership since 2016, AECID (Spain), AFD (France), CDP (Italy) and KfW (Germany) decided to further structure their cooperation and to also reflect this in their external appearance: following their Joint Declaration in Rome in 2021 aiming at setting their renewed joint ambition, they revealed the network's new brand name and visual identity during the European Development Days in June 2022.

Now acting as JEFIC - Joint European Financiers for International Cooperation - the four founding members reaffirm their common ambition, alongside the European Development Finance Institutions and the Practitioners Network, and are ready to welcome new members.

A KEY TEAM EUROPE PLAYER'S VOICE

In the context of the renewed European Financial Architecture for Development, JEFIC raises the added value of the bilateral European development banks based on their expertise, strong local networks, experience and capacity to deliver on the ground.

With a combined funding volume of more than EUR 21 billion and a joint portfolio of EUR 134 billion in 2022, the network provides a substantial share of global financing for sustainable development and handles around one third of the funding generated through the EU's blending and guarantee instruments. JEFIC members are currently contributing to 127 Team Europe Initiatives at national, regional and global levels, and contribute to major Global Gateway

flagships and sustainable infrastructures. A local presence including more than 200 local offices in 85 countries ensures very close cooperation.

The network advocates for a stronger involvement of bilateral finance institutions in all aspects of the implementation of EU development finance to ensure stronger coordination and synergies, allowing JEFIC members to participate on a level playing field in the open architecture, for the benefit of our partners countries and borrowers.

In this sense, JEFIC partners welcome and appreciate the introduction of EFSD+, which is a central instrument to further enhance and

improve the efficiency of European development cooperation. To fully use this potential, JEFIC has pointed out the following opportunities:

- EFSD+ guarantees should be used to cover the risk of development finance institutions and sub-sovereign partners, thus contributing to the major EU strategies and the SDGs;
- blending and budgetary guarantee operations under the EFSD+ should be balanced.



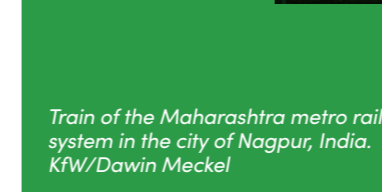
JEFIC partners during the signature of the Joint Declaration in Rome (October 2021). CDP/Marco Cilenti



Solar panels at the Ouarzazate solar power plant, Morocco. KfW/Jens Steingässer



Promotion of core economic sectors for a sustainable future, Burkina Faso. AECID/ Ministry of Foreign Affairs, European Union and Cooperation



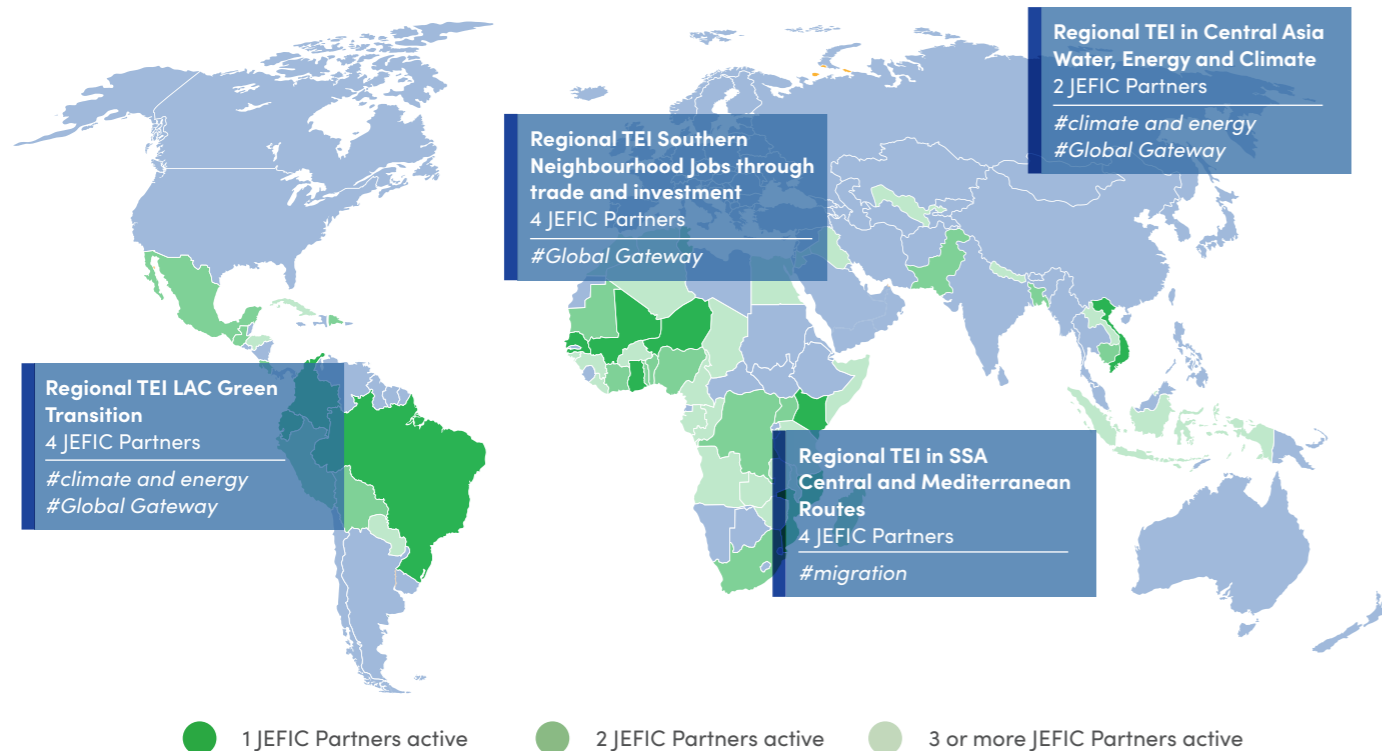
Train of the Maharashtra metro rail system in the city of Nagpur, India. KfW/Dawin Meckel



IMPACTS OF OUR WORK

Acting on behalf of their governments, the European Union and other institutions, JEFIC members support their partner countries worldwide on their paths towards a climate-friendly transformation of their social and economic systems, providing tailor-made responses to the challenges of the Global Gateway. Together, members provided a substantial contribution to the achievement of the sustainable development goals (SDGs) in 2022. For example, EUR 13.7 billion of all new 2022 JEFIC commitments went to climate action projects (SDG 13), EUR 4.6 billion to projects allowing for affordable and clean energy (SDG 7) and EUR 2.2 billion were pledged for industry, innovation and infrastructure (SDG 9). EUR 1.8 billion contributed to better health and well-being (SDG 3), EUR 6.9 billion to reduced inequalities (SDG 10).

JEFIC IS WORKING IN 127 TEIS (NATIONAL, REGIONAL, GLOBAL)



INCREASED COORDINATION FOR INCREASED IMPACTS

Reflecting their strategic commitment, the four founding institutions negotiated in 2022 a co-financing framework agreement. With this agreement, they set up an innovative finance mechanism allowing for improved efficiency and a better response to partners' needs, to design tailor-made solutions in terms of support, funding volumes, financial instruments, as well as mobilizing regional and sectoral expertise:

- a single point of contact for all partners, due to the lead position taken by the JEFIC member with the most suitable expertise on each initiative;
- simplified procedures for partners, who will follow the procedures of the single lead entity;

- capacity to mobilize several sources of funds (grants including delegated funds, loans, etc.);
- possibility of leveraging the contribution and experience of smaller partners.

Alongside this negotiation, JEFIC members have worked on building up an extensive pipeline of common projects in different sectors around the world for the coming years.

JEFIC partners' workshop at their common Brussels office. KfW/Dominik Bach



KEY PRINCIPLES

The partnership is based on **3** principles:

#TeamEurope approach and shared strategic vision.

The institutions support the #TeamEurope approach, a concept born as the EU's and Member States' global response to the COVID-19 pandemic. This approach was incorporated into the European external action policies in order to improve the coherence and coordination of efforts between the different European actors involved in external action.



Mutual trust, transparency and visibility.

The Member States' institutions have identified common priority areas and countries for their cooperation that allow JEFIC to develop its own project pipeline. JEFIC partners contribute to greater European visibility in cooperation and coordination with the EU.

Pragmatism and pooled resources.

The Member States' institutions will promote a strong and pragmatic European partnership. To maximise the impact of the investments, JEFIC projects will draw on pooled resources – this means co-financing and joint implementation, but also the sharing of local and technical expertise and common pipeline generation.



FOUNDING MEMBERS



aecid

AECID, the Spanish Agency for International Development Cooperation, is the main management body of the Spanish Cooperation, aimed at poverty reduction and sustainable human development. Its strategic roadmap, in line with Agenda 2030, is the 5th Master Plan for Spanish Cooperation, based on a human rights approach; it pays special attention to three cross-cutting issues: gender, environmental quality and respect for cultural diversity. AECID's toolbox includes technical assistance and financial cooperation, managed through FONPRODE (Fondo para la Promoción del Desarrollo, Spanish Fund for the Promotion of Development). Launched in 2011, it includes grants and loans, and implements both debt and equity operations. www.aecid.es



AFD
AGENCE FRANÇAISE
DE DÉVELOPPEMENT

Agence Française de Développement (AFD) implements France's policy on international development and solidarity. Through its financing of NGOs and the public sector, as well as its research and publications, AFD supports and accelerates transitions towards a fairer, more resilient world. AFD is part of the AFD Group, along with its subsidiary Proparco, which is dedicated to private sector financing and member of the EDFI network, and Expertise France, a technical cooperation agency and member of the Practitioners' Network.

With our partners, we are building shared solutions with and for the people of the Global South. Our teams are at work on more than 4,000 projects in the field, in the French Overseas Departments and Territories, in 115 countries and in regions in crisis. We strive to protect global public goods – promoting a stable climate, biodiversity and peace, as well as gender equality, education and healthcare. In this way, we contribute to the commitment of France and the French people to achieve the Sustainable Development Goals (SDGs). Towards a world in common. www.afd.fr



cdp

Cassa Depositi e Prestiti (CDP) is the Italian National Promotional Institution that has been promoting the sustainable development of the country since 1850. It supports companies, finances infrastructures, promotes investments of the public administrations and it is a shareholder of leading Italian companies operating in strategic sectors.

CDP is also the Italian Financial Institution for International Cooperation and Development Finance with the objective to promote sustainable growth initiatives in developing countries and emerging markets, by offering a wide range of financial products to public and private entities. www.cdp.it



KfW

KfW is one of the world's leading promotional banks. It uses its decades of experience to work on behalf of the Federal Government and the federal states of Germany to improve economic, social and environmental living conditions at home and abroad.

KfW Development Bank is responsible for part of KfW's international business, and the two group subsidiaries, KfW IPEX-Bank and DEG, are also involved. While KfW IPEX-Bank is active in international project and export finance, DEG finances and advises private companies investing in developing countries and emerging economies. www.kfw.de

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