

annual report

2021

Resilience



Investing
in a Sustainable Future

Cover picture of Ms Mariam Djibo, CEO of Advans Côte d'Ivoire,
by Ms Hady Barry, Guinean photographer

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Preamble by Ms Meryame Kitir, Minister of Development Cooperation and Major Cities Policies

An emancipatory approach to development

It is BIO's special role and calling to strengthen developing countries through investment in the private sector. This impact investing can have a huge influence on local populations. A development finance institution like BIO is about solidarity with the people behind the companies, about their rights, their well-being, their emancipation, their hopes and their dreams - be they putting food on the table, sending their kids to school or receiving life-saving vaccines when necessary.



Such a mission of solidarity is not an easy task, especially not in least developed or fragile countries, in the face of dire circumstances. However, BIO strives to align its ambitious development goals with this often harsh reality. It supports not so much companies that already meet all high western standards, but entrepreneurs who do their best to make a difference and strive to meet the highest environmental and social standards over time. BIO assists them with investment capital, know-how, subsidies to improve social and environmental management, equity participations, and through involvement in the management of these companies.

An organisation such as BIO does not operate in a vacuum. It is complementary to other actors of the Belgian Development Cooperation, like Enabel, the Directorate-general Development Cooperation and Humanitarian Aid, and civil society organisations. I am therefore very pleased that BIO is launching a structural in-depth dialogue with non-governmental organisations on topics of common interest, like decent work and climate change, as well

as sending one of its expert staff members to participate in Enabel's flagship agricultural project in Senegal: the development of an agro-industrial zone (Agropole) in the centre of the Sine Saloum region. The main mission of this expert is to facilitate the financing of SMEs who wish to settle in the Agropole, by closely linking SMEs in the agricultural supply chain and the financial institutions and other investors involved.

This shows BIO's approach to development. It believes that people in Africa, Latin America and Asia are productive entrepreneurs who have their own ideas and can be very successful in their own right, given the proper framework and support. Strengthening the private sector gives BIO an important lever to promote decent work and gender equality, and to fight poverty and climate change, the main barriers to human development, as entrepreneurship is often the largest source of employment in developing countries.

Finally, I'm very pleased that – at the age of twenty – the very committed BIO team has found its own place in Spectrum, one of the healthiest, most ecological, and cosiest office buildings in Brussels. I am convinced that these brand new headquarters and the new liaison offices in Abidjan and Nairobi will serve as a platform from which BIO will continue to collaborate creatively with all development actors to overcome the challenges of our time and to show how resilient people can really be.

Prologue by Ms Géraldine Georges, BIO Chair

Bounce back, reinvent, and dream again[?]

My name is Géraldine Georges, and I am proud and honoured to be the new chairwoman of BIO's Board of Directors. Primarily, because this mandate allows me to give a new impetus to the governance of BIO, together with the other board members and BIO's employees.

After a brief stint in the cultural sector, I started working for an NGO named SolSoc – Solidarité Socialiste – in the department for development education, where I focussed on advocacy and communication.

People everywhere are pretty much struggling with the same things: decent jobs, social protection, health, education, and better living conditions.

We questioned colonial stereotypes and the miserabilist view of the so-called "developing" world. Instead, we chose to empower people. When later I started working for socialist parliamentarians, I became involved in foreign affairs and development cooperation: that is how I got to know BIO.

In 2021, I was offered the position of chairwoman of the board. I realised that I could contribute at a strategic level, providing guidance on the choice of investments and the desired impact. As chair, I am more concerned with values and strategies, and I am aligned with BIO's decolonial approach to development, starting from the conviction that people in Africa, Latin America and Asia are quite unlike



the stereotype of the patient, passive recipients of rich white men's subsidies.

Gender equality and solving gender issues are also essential. One of the big difficulties women still face, for example, is the fact that they often feel like an impostor when speaking out or wanting to take an important decision. Gender parity in a company's management bodies is very important. Also, in the countries in which BIO invests, women and girls do not always have access to schooling in the same way as men and boys. So we must fight for this. We have to encourage gender equality by investing with impact. As is the case for any country in the world, it is essential to give women a voice and ensure equal representation if we want to rebalance a patriarchal society.

So, luckily, the chairs of both BIO and Enabel, as well as the Minister, are now women. We can be important role models for the (re)education of a new generation, both here and in the countries where we operate.

Early on in my mandate, I visited Côte d'Ivoire

for the opening of BIO's representation office for West Africa in Abidjan. There as well I got the impression that there are plenty of people in Africa who want to create jobs, with a sense of innovation and often in sectors that I had never even thought of. As everywhere, in Africa there are many women and men who are true entrepreneurs with a strong desire to create added value. For me, these people and their businesses are an important aspect of the lifeblood of a country, region, or community.

The wealth of African countries and other "developing" countries is diverse and immense. One of the challenges for the people of those countries is to become stronger and better equipped so that they gradually can stop depending on development cooperation.

With its long-term direct and indirect investments BIO allows these entrepreneurs to bounce back, reinvent themselves, and dream, again, of a better future.

Preface by Mr Luuk Zonneveld, CEO BIO

In a volatile world, resilience is critical

In a volatile world, resilience is a critical prerequisite for corporate performance. Not only was covid a public health crisis, it also demonstrated how sensitive economies are to major social disorder, demand shocks and supply chain disruptions. Moreover, as the pandemic spread, the impact of climate change accelerated and the need to reduce greenhouse gas emissions became increasingly urgent.



Societies, economies and institutions need to become more robust, agile, and innovative; able to respond more quickly, in greater concertation, to the world's challenges. To get there, we will need to invest in all strata of our societies, not just financially but also socially, and we will need to start off by strengthening the weakest aspects of our societies and economies. That, in fact, is the mission of Development Finance Institutions like BIO – especially in times of crisis. Whereas crises and uncertainty generally cause investors to shelve or abandon investment projects, BIO and its colleagues seek to be counter-cyclical, actually increasing their investments to support those companies and communities that are hit by a pandemic, climate catastrophe or some other major adversity. For example, BIO reacted to the covid crisis by setting up – with generous funding from its shareholder, the Belgian State – a EUR 50 M Emergency Financing Facility to support clients who needed extra capital to survive.

Resilience

Faced with the covid-induced social lockdowns and economic upheaval, the resilience of BIO's clients has been remarkable. Whereas six months into the pandemic the collapse of their activities led over half of BIO's clients and their investee companies to default on their payment obligations, by early 2022 almost all were back on track – partially also thanks to major debt restructuring by BIO and other financiers. In this report, you will encounter some compelling examples of our clients' crisis responses – as well as of our support efforts.

Resilience is the ability to adapt quickly, energetically and sustainably to adversity, and to overcome any hurdles thrown in one's way.

At BIO, our clients' resilience led to significantly less provisioning and write-offs than feared, enabling us to almost break even over 2022, instead of the EUR 15.4 M loss we had foreseen. BIO attributes its own resilience during the pandemic to its staff. They showed

strong engagement and flexibility as the crisis wore on, keeping the business going with great creativity and improvisation, for which my Executive Management colleagues Ms Carole Maman (CIO), Ms Yumi Charbonneau (CLO) and Mr Emmanuel Bellis (CFO) and myself express our profound appreciation.

2021 corporate highlights

BIO committed EUR 104 M to 22 new investment projects. While this is only around half of our usual activity, we succeeded in committing to seven high-impact investments in challenging environments like Mali and Burkina Faso – again illustrating our counter-cyclical ambition. At the end of 2021, BIO had EUR 662.5 M outstanding investments in 232 entrepreneurial development projects, benefitting over two million households.

BIO committed a total of EUR 913,989 in subsidies to a record 18 new technical assistance projects.

In response to the changing demands in renewable energy, BIO reoriented its focus towards off-grid projects and less mainstream renewable energy sourcing such as waste-to-energy through incineration and the methanisation of agricultural and forestry waste.

With regard to internal organisation, processes and procedures, BIO thoroughly updated its credential monitoring (KYC); updated its client grievance mechanism, and the code of ethics and whistle-blower policies for its staff. BIO also established a Committee for Prevention and Protection at Work to monitor health and safety at BIO, plus it improved its internal communication with the introduction of Plaza, its new intranet platform.

In August 2021, a new Board of Directors was installed, chaired by Ms Géraldine Georges, who, in October 2021, visited BIO's clients in Senegal and attended the festive celebration of its liaison office in West-Africa.

In September 2021, BIO published its first ever annual Development and Social Impact Report, which presents its theory of change and a range of figures on the development effects of BIO's investing and assistance activity.

Finally, despite barely having had the opportunity to meet in person in 2021, the SDG Frontier Fund rounded off its fundraising successfully, reaching its final closing with a total commitment of EUR 35 M.

Internally, the cherry on the 2021 cake was the move to BIO's new office, that, with its semi-open arrangement and spacious Carpe Diem cafeteria strongly encourages collaboration and teamwork. The festive opening of the new offices was graced by the Minister for Development Cooperation, Ms Meryame Kitir, and included a testimony by Ms Mariam Djibo, CEO of Advans Côte d'Ivoire, a microfinance institution with a particular focus on gender. Thanks to the leadership of Ms Djibo, Advans is another fine example of resilience in the face of challenging times, and is featured on the cover of this report.

Outlook

Just as the pandemic was waning, another drama rocked the world: Russia's aggressive and massive attack on Ukraine. Beyond the horrors for the Ukrainian population, the war is leading to major shortfalls in the production of wheat and other staples. It is causing a dramatic devaluation of many currencies and may well lead to a global economic recession - all of which will especially affect the poor. Many of BIO's clients and investees will be faced, once again, with difficult social and economic challenges, and, once again, will be called upon to demonstrate their resilience. BIO is, once again, ready to support them in responding to this latest crisis.

At the same time, BIO intends to return to its regular activity level by committing at least EUR 200 M to new investment projects and approving at least 15 new technical assistance subsidies in 2022. BIO currently has over EUR 250 M of investment prospects in its pipeline, including some good perspectives on a number of renewable energy projects.



Festive inauguration of the BIO offices

Together with my supervisory Minister, Ms Meryame Kitir, and her team, my new Board of Directors, and BIO's fabulous staff back in the office, we believe that 2022 and 2023 promise to offer many opportunities to demonstrate BIO's profound contribution to sustainable development and achieving the SDG s.

Corporate developments⁷

Liaison offices in Western and Eastern Africa

BIO celebrated the opening of its first liaison office for West Africa with a launch ceremony at the Belgian residence in Abidjan on October 14, 2021. The liaison office, operational since early 2020, covers the entire West African Economic and Monetary Union as well as Ghana. Côte d'Ivoire benefits from a unique dynamism as a real business hub in the region and the liaison office offers the advantage of being close to several of Belgium's partner countries, such as Benin, Burkina Faso, Mali and Senegal.

Early in 2020, BIO also opened its liaison office for East Africa. This office, based in Nairobi, covers Ethiopia, Kenya, Mozambique, Rwanda, Tanzania, and Uganda. Compared with other development finance institutions present in Nairobi, BIO has a niche role to play in financing SMEs, in particular in the agricultural and fast-moving consumer goods sectors. The festive celebration of the Nairobi office is foreseen for the second half of 2022.



Celebration at the Belgian residence in Abidjan

The Abidjan office is run by Maximilien d'Harcourt, who was recently joined by Dorian Zohou. In Nairobi, the office is run by Alexis Losseau, who was recently joined by Pearl Nyaosi.

In the service of my country

My name is Dorian Zohou. I am Ivorian, and I am a new BIO liaison officer for West Africa.

Since I was a little boy, I loved numbers. I always had a thing for sciences and maths.

My mother wanted me to become a banker. My father didn't want me to study in France as he did. He wanted me to stand out and go to a North American university. That is why I applied to the Sherbrooke University in Quebec. Even though my application was successful, my visa fell through, preventing me from going. At that time, I had a cousin in India who had often praised the Indian educational system, and who managed to convince me to go East. That is how I ended up doing my MBA at Bangalore University, with a specialisation in finance and marketing.

Three years later, in 2014, I decided to return to Côte d'Ivoire. I wanted to use my new skills in the service of my country and the African continent.

I started in the Atlantic Financial group, where I mostly worked on greenfield industrial projects, ranging from the processing of cocoa beans to the production of cement. I stayed there for almost two years, before joining the structured finance department at the Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire (BICICI), a subsidiary of the French group, BNP Paribas.



Mr Dorian Zohou, BIO liaison officer for West Africa

Structured finance is a financial instrument used for companies with complex financing needs, such as large infrastructure projects. Often, these deals require bank syndications. It was a very technical job.

After BICICI, I joined First Capital, an investment bank, where I mostly worked on mergers and acquisitions, and infrastructure projects across sectors. Until finally, I joined BIO, the Belgian impact investor.

As a liaison officer at BIO, I am in charge of identifying viable investment opportunities. I will then evaluate these projects to ensure they fit within the BIO framework. Thanks to our local presence in Abidjan, I will also be able to develop relationships with Ivorian and other West African investors and potential partners.

Moving from a commercial bank to an investment bank, and then an impact investor has given me a cross-sectional view of finance. It has been an enriching experience of the banking profession.



Adjamé market, Abidjan, Côte d'Ivoire (Photo by Eva Blue on Unsplash)

All investments are appreciated, whether they're from Europe, America or China.

For years, the Chinese have been increasing their investments in Africa, which cannot afford to turn down money. The problem, however, is that very often these investments have little to no impact on the local population. Local businesses do not benefit because the contracts are awarded to Chinese companies, working with Chinese labourers, often with lower quality results.

On the other hand, many African companies do not appreciate the many ecological, social, and governance conditions imposed on them by DFIs; they prefer to receive financing with as few constraints as possible. Better educated clients realise, however, that the SDG s make a lot of sense and shouldn't necessarily be viewed as constraints. Slowly, more and more people realise the benefits of working with DFIs, as it also serves as a kind of "educational" funding, preparing them for working with other local and international investors and banks.



The Entebbe-Kampala Expressway in Uganda

Ethics and transparency

BIO commits to the highest standards of ethics, integrity, and professionalism. In 2021, BIO reviewed its code of ethics and rules of conduct for all staff members and directors. In addition, BIO reviewed its whistle-blower policy which offers extensive protection from retaliation to any staff member who would report a breach of, inter alia, the code of ethics and rules of conduct. Both policies are publicly available on the BIO website.

Pillar assessment

In order to be able to count on European financing, the European Union subjected BIO to an independent assessment concerning three pillars, which concern the access to funding, the publication of information on recipients, and the protection of personal data. BIO received the notification of accreditation by the European Commission on 30 April 2021. This major recognition of BIO’s performance demonstrates consistency with BIO’s policy objectives, in particular in terms of transparency and disclosure.

BIO’s grievance mechanism

BIO has an online accountability tool that responds to grievances and demands for redress by people affected - or potentially affected - by the projects it finances. This grievance mechanism promotes more inclusive and sustainable development by giving affected people a greater voice in the projects that impact them.

Since its implementation in 2018, international standards and recommended practices evolved. So, in 2021, BIO amended its policy accordingly and improved:

- accessibility and visibility of the mechanism
- predictability of the process
- protection of complainants
- possible remedies
- disclosure
- personal data protection

Plaza

In 2021, BIO laid the groundwork for a new intranet that went live in February 2022. Nicknamed Plaza, it invites colleagues to interact more easily by sharing birthday calendars, pictures, employee interviews, polls, and company news.



Staff retreat & team building in the Hautes Fagnes

Health is wealth

BIO cannot invest in its target countries without also investing in its employees. This was especially true during the covid-imposed isolation in 2021. Because staff missed the human interaction with their colleagues, they set up an e-working group to improve physical and mental health through stimulating digital yoga sessions, walking challenges, and healthy breakfast options at the office – to facilitate the return. In addition, 2021 saw the installation of the Committee for Prevention and Safety at Work, which unites employee representatives and management to ensure that employee health and wellbeing is always top-of-mind. Finally, BIO is proud of its inclusiveness, with gender equity at all levels of the organisation, and a diverse, multinational pool of colleagues boosting a healthy mental work environment.

Investments signed in 2021 (EUR)

Account	Country	Department	Activity	Instrument	Signing Date	Amount
Acceso Crediticio	Peru	Financial Institution	Microfinance institution	Debt	07/10/2021	4,306,525
Advans Cote d'Ivoire	Côte d'Ivoire	Financial Institution	Microfinance institution	Debt	02/07/2021	2,000,000
Banco para la producción y la comercialización SA (Bancop)	Paraguay	Financial Institution	Commercial banking	Debt	31/03/2021	4,161,465
Candi Solar BV	India	Infrastructure	Electric power generation	Debt	10/12/2021	4,397,299
Cathay Africinvest Innovation Fund Ltd	Mauritius	Investment Company & Fund	SME Fund	Equity	21/05/2021	6,000,000
Cofina Mali	Mali	Financial Institution	Microfinance institution	Debt	07/10/2021	2,873,447
EFC Uganda LLC.	Uganda	Financial Institution	Microfinance institution	Equity	10/08/2021	744,274
Ezdehar Mid-Cap Fund II	Egypt	Investment Company & Fund	SME Fund	Equity	16/12/2021	8,829,242
Financiera FDL	Nicaragua	Financial Institution	Microfinance institution	Debt	05/05/2021	1,982,673
Incofin India Progress Fund	India	Investment Company & Fund	FI Fund	Equity	22/07/2021	5,000,000
Koperasi Mitra Dhuafa (Komida)	Indonesia	Financial Institution	Microfinance institution	Debt	13/07/2021	6,000,000
Lendable MSME Fintech Credit Fund I	Multi	Investment Company & Fund	FI Fund	Equity	20/08/2021	3,036,781
Optima Servicios Financieros S.A. de C.V.	El Salvador	Financial Institution	Microfinance institution	Debt	30/11/2021	4,417,158
Phatisa Food Fund 2 LLC	SSA	Investment Company & Fund	SME Fund	Equity	29/01/2021	6,071,325
PT Mitra Bisnis Keluarga Ventura	Indonesia	Financial Institution	Microfinance institution	Debt	25/03/2021	15,000,000
SANASA Development Bank PLC	Sri Lanka	Financial Institution	Commercial banking	Equity	08/07/2021	3,387,335
XpressGas Limited	Ghana	Enterprise	Other	Debt	17/05/2021	2,586,502

Investments ended in 2021 (EUR)

Account	Country	Department	Activity	Instrument	Signing Date	Amount
Banco Continental S.A.E.C.A.	Paraguay	Financial Institution	Commercial banking	Debt	25/07/2016	13,777,500
Banco Regional	Paraguay	Financial Institution	Commercial banking	Debt	27/05/2014	13,718,676
Beyond the Grid Solar Fund LLC. (BTGSF)	Various Africa	Investment Company & Fund	Infra Fund	Debt	26/10/2017	3,185,582
Commercial Leasing & Finance Plc (CLC)	Sri Lanka	Financial Institution	Financial leasing	Debt	18/12/2015	6,470,357
Consortio Eólico Amayo (Fase II), S.A.	Nicaragua	Infrastructure	Electric power generation	Debt	11/10/2010	6,686,000
Fidelity Bank Ltd.	Ghana	Financial Institution	Commercial banking	Debt	20/12/2016	14,433,000
Financiera FDL	Nicaragua	Financial Institution	Microfinance institution	Debt	16/05/2017	3,613,600
KF Bioplants PVT. Ltd	India	Enterprise	Agriculture, forestry and fishing	Debt	16/12/2014	2,100,000
Local Currency Microfinance Fund II LP. (Locfund II)	Various LAC	Investment Company & Fund	FI Fund	Debt	05/06/2014	725,111
Oragroup S.A.	Various Africa	Financial Institution	Commercial banking	Debt	12/05/2014	5,000,000
Plantations et Huileries du Congo S.A. (PHC)	Congo, DR	Enterprise	Agriculture, forestry & fishing	Debt	21/12/2015	9,741,281
Société de Cultures Légumières S.A. (SCL)	Senegal	Enterprise	Agriculture, forestry & fishing	Debt	31/10/2013	4,000,000

In 2021, a number of our investments ended, many of which had an important and lasting impact on their region. For example:

- Over the last three years, the **Consortio Eólico Amayo** provided the equivalent of 463,000 people with electricity and avoided, on average, 146,000 tonnes of CO₂.
- The **Banco Continental** provides financial services to over 200,000 clients and has granted, over the investment period, an average of about 15,000 micro and 10,000 SME debts annually.
- Since our investment, **Commercial Leasing & Finance** has grown substantially with a USD 13 M portfolio in 2021, the largest performing microfinance portfolio held by a financial institution in Sri Lanka.

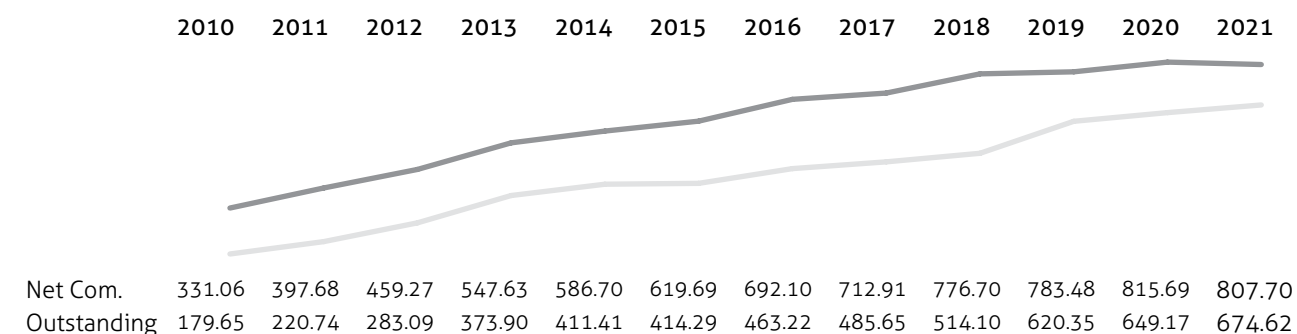
Outstanding investments at end 2021 (in EUR M)

#		29	6	66	35	10	146	71	75
		LAC	MENA	SSA	Asia	Multi	Total	Equity	Loan
8	Agriculture, forestry and fishing	0.82	-	11.12	0.81	-	12.76	-	12.76
10	Manufacturing	6.98	-	7.80	5.26	-	20.04	-	20.04
4	Other	-	-	7.86	-	-	7.86	-	7.86
22	Enterprise	7.81	-	26.78	6.08	-	40.66	-	40.66
13	Commercial banking	24.48	-	55.44	19.22	-	99.14	20.75	78.39
26	Microfinance institution	39.77	12.89	29.73	42.70	16.97	142.05	38.31	103.74
8	Financial leasing	3.54	13.13	5.34	4.80	-	26.80	-	26.80
4	Other	-	-	-	8.03	10.38	18.41	7.44	10.96
51	Financial Institution	67.78	26.01	90.50	74.75	27.35	286.39	66.51	219.88
15	Electric power generation	32.06	-	63.79	39.86	-	135.72	3.00	132.72
1	Wireless telecom. activities	-	-	-	5.55	-	5.55	-	5.55
16	Infrastructure	32.06	-	63.79	45.41	-	141.27	3.00	138.27
39	SME Fund	16.77	13.63	50.87	30.07	6.29	117.63	114.34	3.29
8	Infra Fund	7.75	-	21.74	15.11	4.61	49.21	40.20	9.02
9	FI Fund	9.76	-	15.88	4.28	8.08	37.99	33.00	4.99
1	Fund of Fund	-	-	-	-	1.47	1.47	1.47	-
57	Investment Company & Fund	34.27	13.63	88.49	49.45	20.45	206.30	189.01	17.29
146	Total	141.93	39.65	269.56	175.69	47.80	674.62	258.52	416.11

Net signed commitments at end 2021 (in EUR M)

	LAC	MENA	SSA	Asia	Multi	Total	Equity	Loan
Enterprise	7.81	-	27.93	6.08	-	41.82	-	41.82
Financial Institution	73.00	26.01	92.20	74.75	27.47	293.43	66.63	226.81
Infrastructure	32.06	-	69.58	50.09	-	151.73	3.00	148.73
Investment Company & Fund	38.96	27.59	139.81	70.45	43.90	320.72	286.36	34.36
Total	151.83	53.61	329.53	201.37	71.36	807.70	355.98	451.72

History of outstanding investments and net commitments at year's end (in EUR M)

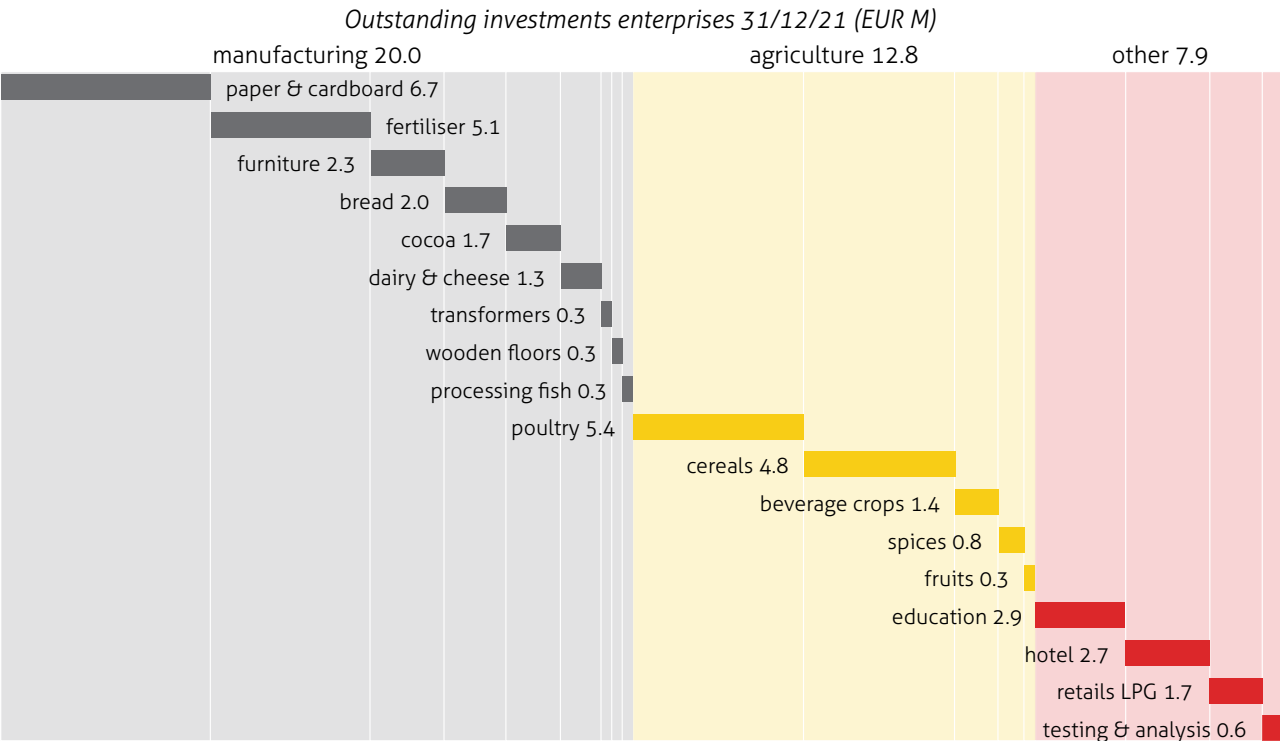


Climate change and food security

Enterprises

Over the last few years, world food security has received hit after hit. The impact of climate change is increasingly being felt, a global pandemic proved disastrous for logistical supply chains, interest rates kept increasing and, last but not least, the war in Ukraine and

associated western sanctions threaten one of the last remaining breadbaskets for people in North Africa and the Middle East. To snap back, increased investments in agricultural value chains need to be a part of the efforts to eradicate hunger and malnutrition.



Agroserv Industrie - We process maize

In 2021, BIO granted technical assistance to assess Agroserv’s management of environmental and social risks. By supporting this maize processing company in Burkina Faso, BIO helps strengthen a strategic link in the Burkinabe maize value chain.



Agroserv has been processing and marketing maize products like flour, grits, semolina and bran in Ouagadougou for households, breweries, institutions and herders since 2008. It targets the local market and contributes to local food security. Together with co-investors AgriFI, Oikocredit and Investisseurs & Partenaires, BIO contributed to the development of an agri-food transformation plant in south-western Burkina Faso, which will increase the company’s processing capacity from 100 to 156 tonnes per day, improving efficiency, and diversifying the company’s product range and customer base.

Agroserv has 120 employees and works with a network of more than 3,000 smallholders – of which at least 30% are women and young people – to secure and improve the quality of their maize. These producers benefit from Agroserv’s infrastructure, production equipment and technical support, and receive training on new techniques and good practices.

XpressGas Limited

Over 75% of Ghana's households still rely on charcoal and kerosene as their primary sources of cooking fuel. XpressGas offers them LPG in reusable bottles instead, greatly reducing greenhouse gas emissions and helping reduce deforestation at an affordable price. Additionally, as a clean cooking fuel, LPG is smokeless, further reducing emissions and indoor air pollution. It is economical and, as its higher heating capacity reduces cooking time, less gas is required, further reducing the cost. XpressGas' offer falls on fertile ground, as is demonstrated by its rapidly growing customer base, with over 50,000 households served, 60% of which are first-time LPG users. The considerable environmental and health benefits explain the Ghanaian government's target to increase the usage of LPG as cooking fuel by 50% by 2030 and to raise awareness on environmental, health and safety matters.

XpressGas specifically targets those peri-urban areas that currently use the most charcoal – 50% of all charcoal in Ghana is used in the urban areas of Greater Accra and Ashanti, as people in rural areas are more likely to just source their firewood from nearby trees and bushes. It's also in these urban areas that you can find the other Xpress clients: street vendors, bakeries and commercial kitchens (caterers to bigger companies).

Reducing greenhouse gases

Paris Climate Agreement recognises the replacement of wood and charcoal with gas as one of the most effective ways to reduce greenhouse gas emissions. Using gas for cooking instead of firewood decreases CO₂ emissions by about 60% and, furthermore, reduces the need to cut trees for firewood, one of the world's most important causes of deforestation.

The eventual aim is eliminate charcoal production and usage, with the people currently working in this dirty business finding a position in the XpressGas distribution network.

XpressGas currently has 27 LPG bulk road and delivery vehicles, as well as a fleet of tricycles, bikes and motorbikes. The gas is either transported to a point of sale, or directly to the consumer. At the moment, the company has 42,000 branded LPG cylinders under management: when their cylinder is empty, the clients return it to XpressGas, which then hands them a new one. This means that XpressGas is slowly filtering out all the faulty and broken cylinders in the market. To manage this influx, XpressGas is currently building a refurbishment plant to repair and recycle old cylinders, significantly reducing the need for importing new cylinders.



In 2021, Investisseurs & Partenaires provided USD 3 M in equity to the company and BIO granted a USD 3 M loan to accelerate the growth of its business-to-customer segment, further consolidate business-to-business, and improve its information system and health and safety standards.

Interview with Dr Enrico Palchetti, agronomist and CEO JTF Madagascar

Madagascar has a huge potential from many points of view, agriculture being one of them. However, at any time of the year, over one-third of the Malagasy households struggles to put food on the table. To help resolve this paradox, BIO invested in JTF, which aims to enlarge and enhance food production for local consumption through biotechnology, mechanisation, and the use of new fertilisers and plant varieties.

JTF is one of the few companies in the country that practises mechanised and technical agriculture. That is why the Ministry of Agriculture is asking for our support in strengthening the country’s food safety.

One of the problems is the lack of seed varieties suitable for the deep South. Seeds need to be imported, which is expensive, time-consuming, and complicated. So, we are trying to help by using our skills and machinery to produce seeds on our farm that can be used by smallholders in the south, for instance, maize,



Dr Enrico Palchetti

sorghum, millet, and cassava.

Another problem is logistics. There are simply not enough internal transportation possibilities, like roads or bridges. Importing or exporting goods is very complicated, which has only been exacerbated by the recent global shipping crisis. The cost of importing food in this famine-struck country has almost doubled, which will probably lead to further trouble.

Climate

Over the last two years, rainfall in the south of Madagascar has diminished. For subsistence agriculture, without mechanisation or irrigation systems, one hundred millimetres less rain per

year can be the difference between survival and famine. While droughts are bad enough for the environment, the increased difficulties for the farmers add to the problem, as many people from the south have been moving to the north, trying to find better plots to cultivate, practising slash and burn agriculture in formerly rich forest areas.

Climate change is affecting agricultural productivity in Madagascar, requiring different strategies, such as growing drought-resistant alternatives.



Essential oil extraction

We are checking if *eucalyptus globulus* could be sustainably cropped for essential oil extraction from both an environmental and economic point of view. It doesn’t need irrigation and, when distilled, you are left with 99.9% of the biomass, which can then be plugged into the soil of other crops. This reduces the cost of fertiliser, enlarges the quantity of organic matter in the soil, stores carbon, and improves the quality of the land. With the support of BIO and Finnfund we could set up a very modern distillery plant and we have already found a buyer for the oil.

By adapting our major crops, we can strike a balance between the economic and environmental sustainability of the farm. Malagasy people are strong workers and have faith in their country, there is an inner resilience in the population. All they need is infrastructure, impact investors, and a supportive political class.

Private equity[®]

Incofin India Progress Fund

Vegetables or grains often pass through many intermediaries before they reach the store. The long supply chain entails high costs and a lot of food waste. There are plenty of smaller agritech companies that can shorten the supply chain, but have difficulties accessing capital. The Incofin India Progress Fund has the ambition to help fill that gap. A more efficient supply chain with fewer handling points will lead to more transparency and will reduce food wastage.

India holds great promise for sustainable development through private enterprise activities. It is a country with an ambitious, young population focused on improving their situation through hard work and entrepreneurship. Private enterprise can also contribute to overcoming the serious challenges the country faces, like inequality (gender, education, family wealth), insufficient access to technology and capital, and badly organised supply chains. Although 65% of India's population live in rural areas, private equity investments in private enterprise in

the country have largely focused on urban companies. As a result, many budding entrepreneurs fail to realise their full potential.

To help rectify this oversight, the Belgian impact investor Incofin IM created a new impact fund focused on rural development in India, the Incofin India Progress Fund, which makes



H.E. Mr Santosh Jha, Ambassador of India (r), and Mr Loïc De Cannière, chair of the supervisory board of Incofin (l) at the launch of IPF at BIO

private equity investments in the Indian agri-food value chain and guarantees financial inclusion for rural entrepreneurs in India. The fund's capital comes from a diverse set of private and institutional investors including BIO, British International Investment (BII), the King Baudouin Foundation, Korys, Proparco, the SDG Frontier Fund, and several Belgian family offices.

The fund made its first investments in three promising start-ups. Take, for example, SuperZop. It is an agritech start-up that connects farmers directly with local retailers and restaurants using an ordering app. In this way, farmers have access to the appropriate market, and small retailers and restaurants can easily buy their food stock faster and smarter at the desired quality. To facilitate this link, SuperZop also developed a quality control application which uses artificial intelligence to identify the type and quality of foodstuffs.

"For the last six months, I have been ordering through the SuperZop app. It is very easy to use, and saves me time and effort in procuring staples. The quality of the products is very trustworthy."

Kishore Patel, owner of Ashok Kirana



Lendable MSME Fintech Credit Fund

The Lendable MSME Fintech Credit Fund provides debt funding to emerging and frontier market fintech companies that create access to new financial products and services for un(der)-banked populations in Asia and sub-Saharan Africa. The fund has met the Leadership and Employment criteria of the 2X Challenge, a G7 DFI initiative to promote gender equality. With 50% women staff, 33% women on their investment committee and 25% women on their board, the fund initiator Lendable has a definite commitment to invest in women. The fund itself has 50% women on the board.

Lendable finances fintech companies that facilitate MSME credit, productive asset finance, payments, remittances, and digital marketplaces. From its offices in Nairobi, London and Singapore - and using its proprietary technology and data - Lendable directly originates, structures, underwrites and monitors all transactions. At the end of 2021, the fund had already disbursed over USD 30 M to fintech companies in over nine countries.



Watu, one of Lendable's investees

Like, for example, in Amarta Mikro Fintek, a fintech company in Indonesia that empowers MSMEs that are led by women with capital and business assistance.

The market for unbanked female micro-entrepreneurs in Indonesia is estimated to reach 22 million. That is why Amarta has developed an online lending platform (available in Google Play and the App Store), which serves as an alternative investing platform by connecting potential lenders to the owners of a microbusiness. The platform provides easy access for women in rural areas to receive funds from urban lenders. Amarta's digital adaptation strategy for the MSME segment is designed to increase investment and income, and to reduce expenses in these rural villages.



Purwi from Banyuwangi, East Java, a client of Amarta

Amarta has already funded 606,795 female micro-entrepreneurs in Java, Sumatra and Sulawesi for a total amount of IDR 3.13 trillion or about EUR 202 million.

Financial institutions⁹

Advans Côte d'Ivoire - The story of Ms Mariam Djibo, CEO

Advans Côte d'Ivoire is a microfinance institution that serves about 160,000 clients with the goal of including them in the financial ecosystem. Half of its Executive Committee and more than half of its employees are women, so Advans sets a good example of gender equality.

For people who are excluded by the formal system - because they cannot read, for example – it is hard to enter a bank and most banks don't send customer advisors to their villages and small towns. It is our job to serve these people through a sustainable economic model.



When Advans Côte d'Ivoire was created in 2012 there were only a few large players in microfinance in Côte d'Ivoire. Since then, there are many more of us. On the one hand, that's a good thing, because there are more MFIs to serve those excluded from the formal systems. On the other hand, because we are all serving the same people, this risks leading to over-indebtedness due to customers taking out multiple loans in urban areas.

To avoid this, every time Advans considers a loan, we check if the applicant is in debt elsewhere. Secondly, we do not serve individuals, but only entrepreneurs who pay off their loans through their activities. And finally, unlike most other players, we mainly target the underserved rural population, who have most difficulties in financing their businesses.

What gives me the most satisfaction is to see people grow. The job of credit officer really is a field job, so Advans recruits young people who often have only six months or so of professional experience, and offers them a framework in which they can grow and flourish, and acquire a professional ethic. After a while, these inexperienced employees become managers. And I will continue to make them grow by gradually increasing their responsibilities and strengthening their skills.

Thanks to BIO's support, we have launched a leadership training programme for our middle management (of which several sessions dedicated to women) which will result in the creation of a mentoring programme.

In Côte d'Ivoire today, we are faced with a generation that has lost its values, looking only to make a quick buck. Advans seeks to reinstate core values by educating our young recruits and helping them grow as responsible and ethical individuals. If they want to make money, they will have to make the effort – but they'll also realise that the mission is more important and that the way you conduct yourself is more satisfying than just making money.



A fabric shop in Abobo

In Abobo, a neighbourhood of Abidjan, one of our clients sells clothes and accessories. Because of covid restrictions, he had difficulties in accessing goods from neighbouring countries. He had to close two of his four shops and had to turn to online sales. Faced with repayment difficulties, he managed to reschedule to keep his credit. In 2021, he was back on his feet, with his business steadily growing and a new loan of EUR 15,000.

Our job is to see our customers grow their business and improve their quality of life. We give them a first loan, a second loan, and by the fifth, a customer has built a warehouse and sent his son to the United States to study. That really encourages you to do more.

The crisis

We managed the covid crisis pretty well because, even before any government measures were announced, Advans had already put a prevention policy in place, allowing us to maintain our entire workforce and their salaries.

We focused on internal and external communication to maintain the confidence of employees, borrowers and depositors.

Another one of our clients, in the Cocody commune this time, produces biodegradable and reusable bags. They had just received a EUR 45,000 loan in June 2019. During covid, they chose to diversify their activity with the production of face masks and protective visors. This diversification allowed for good growth and a turnover that was nearly 30% higher.

Still, our clients were heavily impacted, with approximately 30% of our 13,000 borrowers seeing a decrease of more than 50% in their turnover. We treated each customer individually to find a suitable solution for their situation. Almost 70% of our customers benefitted from grace periods, and almost 15% had their loans restructured.

"Two years after the start of the pandemic, about one hundred clients – mostly microentrepreneurs – had to close their businesses."

Today, we and our customers are out of the crisis and recovering. The crisis has strengthened the links with many of our customers and has urged us to accelerate the deployment of our digital and proximity distribution channels.

Gender scan & 2X Challenge

In 2020, BIO ran a gender scan of the financial institutions in its portfolio with the objective of better understanding where its clients stand in terms of gender equality, to raise awareness about the topic, and to find out to what extent BIO's technical assistance could further support its customers on gender.

All in all, the financial institutions in BIO's portfolio performed quite well. Most of the FIs indicated that, with financial support from BIO, they would like to develop products benefitting women specifically. Many were interested in organising leadership training for women and would be interested in developing a gender strategy. Based on this scan, BIO has granted 4 financial institutions technical assistance - for a total of EUR 140,878 - to create a gender strategy, train middle management and/or measure the gender equality of the institution.

To further promote gender equality, BIO is a signatory to the 2X Challenge. This is an initiative that challenges DFIs to focus their financing on advancing women's economic empowerment, and gender equality. The challenge is to mobilise these resources to support initiatives that provide women in developing countries with access to leadership opportunities, quality employment, finance, enterprise support, as well as products and services that enhance the inclusion of women and girls.

The 2X Challenge has significantly surpassed its initial goal of mobilising USD 3 bn for gender equality and has recently raised it to USD 15 bn. DFIs like BIO are the primary source of this capital, but private sector companies and institutional investors contribute as well. In 2021, BIO committed EUR 75,198,400 in new investments that qualify for the Challenge.

Banco Guayaquil

Banco Guayaquil, an Ecuadorian universal bank, has more than 95 years of experience, with an excellent track record and a wide geographical coverage – including underserved areas. Thanks to this extensive network, the bank has been able to implement a popular "bancarisation" project called *Banco del Barrio* (the neighbourhood bank), which enables non-bank microentrepreneurs from urban neighbourhoods and rural towns to provide banking services to people without accounts. The results of *Banco del Barrio* were recognised in 2010 as the "Largest Bancarisation Project" in Latin America by the Inter-American Development Bank.

In 2021, BIO granted USD 43,225 of technical assistance to Banco Guayaquil, to which BIO already granted a EUR 13.1 M loan in 2019, with a focus on MSMEs, green businesses and energy efficiency projects. The technical assistance is meant to improve the bank's gender performance by supporting the design of an organisation-wide strategy on gender, raising awareness of gender equality, and gradually increasing the number of female senior managers.



Banco Guayaquil commercial

Infrastructure for climate resilience

Infrastructure

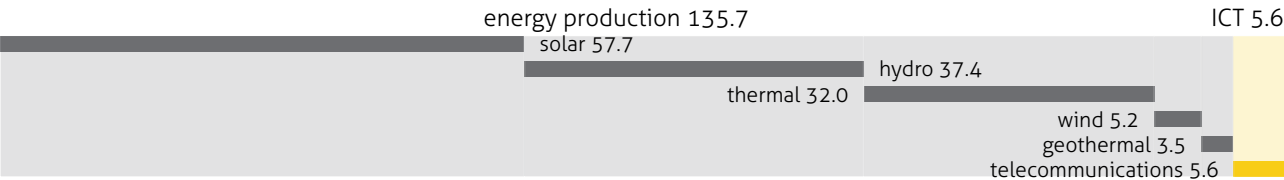
SDG 7 states that, by 2030, everyone on our planet should have access to affordable, reliable, sustainable and modern energy. According to the UN, a significant portion of this must be renewable as it is increasingly clear that to combat climate change, renewable, fossil-free energy is the way to go.

In 2020, the Association of European Development Finance Institutions (EDFI) (with a combined USD 50 billion under management in emerging and frontier markets) already announced that its 15 publicly-owned member institutions, amongst which is BIO, would progressively align financing decisions with the objectives of the Paris Agreement and would ensure that their portfolios achieve net zero emissions by 2050 at the latest.

EDFI member institutions have since ceased new coal or fuel oil financing and will limit other fossil fuels, such as selective investments in gasfired power generation, consistent with the objectives of the Paris Agreement until generally excluding them by 2030 at the latest. This new commitment includes direct investments, indirect investments made through investment funds and dedicated lending via financial institutions.

In July 2021, BIO already decided to stop investing in new gas fired power plants. Moreover, since BIO started investing in infrastructure projects in 2010, it has invested directly in 18 energy production facilities and indirectly in more than 100 energy-related projects through nine investment funds.

Outstanding investments infrastructure 31/12/21 (EUR M)

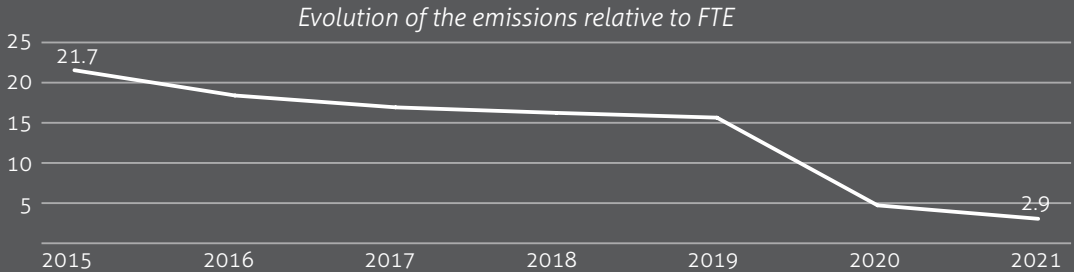


These include two solar parks in Senegal with capacities of 25 and 20 MW, a geothermal power plant (36 MW) and a wind farm (23 MW) in Nicaragua, a solar park (100 MW) in India, a solar power plant in El Salvador (100 MW), and a hydroelectric power plant in Uganda.

In 2019 alone, BIO's direct and indirect investments in renewable energy saved 1.488 million tonnes of CO_{2e} - an amount similar to the annual emissions of Rwanda.

BIO carbon footprint

Every year, an independent consultant tallies BIO's own CO_{2e} emissions (office heating, air travel, paper usage, etc). Since the first calculated year, 2015, BIO's emissions per full-time equivalent have been steadily decreasing, with a sharp drop in 2020 due to a severe reduction in air travel because of covid-19. This trend has persisted in 2021.



BIO's emissions for 2021 still amounted to 225 tonnes of CO_{2e}, which will be compensated through a cookstoves project in Ghana, which distributes *gyapa* insulated and efficient cookstoves to Ghanaian families.

Autonomous energy units

In 2021, BIO decided to adjust its renewable energy strategy, looking more proactively at autonomous energy units that are independent of the grid, in addition to investing in large power plants that inject their electricity directly into the grid.



A candi solar installation

For renewable energy, it is easier to set up off-grid autonomous units, such as solar home systems, especially in remote areas. A few solar panels and a battery go a long way in running the fridge, TV, laptop and lights for a household. It is more reliable and less polluting than using kerosene for lighting and cooking purposes.

The stronger focus on smaller-scale off-grid renewables builds on previous investments in this field. For example, since 2017 BIO has participated in two funds investing in such off-grid units (Beyond The Grid Solar Fund and the Off-Grid Solar & Financial Access Senior Debt Fund I), and it recently invested in candi solar. This energy company installs solar-powered autonomous units for businesses in India and South Africa, providing renewable electricity at a more affordable price.



Rwimi, a small hydropower plant in Uganda

In 2022, BIO plans to use EUR 55 M of its total 2022 new investments target of EUR 200 M for renewable energy projects. As the market for autonomous units is growing exponentially, investment opportunities for BIO abound. Waste-to-Energy, i.e. the conversion of non-recyclable waste materials into useable heat or electricity, and anaerobic digestion of agricultural and forestry waste, i.e. a process through which bacteria break down organic matter, are also among the possibilities.

Strict criteria

Through its numerous projects around affordable, reliable and renewable energy, BIO is making a significant contribution to the achievement of SDG 7. It is doing so without losing sight of the well-being of people and nature, following strict criteria in all its investments.

For example, a project that requires cutting down forests or reducing land used for agriculture will not receive support. And, last but definitely not least, there are social requirements, like worker safety and the close involvement of locals.

(Original article by Chris Simoens for the FPS Foreign Affairs newsletter)

Special Operations⁷

In 2021, most of BIO's customers were quick to recover, especially the tech companies. BIO also saw a "V-recovery" in its funds, with valuations that are now even higher than before the pandemic.

BIO's clients have proven to be much more resilient than expected and, so far, very few companies have had to close the books.

While its customers were facing adverse conditions due to the covid pandemic, BIO's Emergency Financing Facility has been very helpful in softening the blows and hastening recovery. That is why BIO also carried out as many code 5 projects as possible in 2021. BIO remained attentive and very understanding of its customers' woes during lockdown.

In economically, politically and sanitarly turbulent times, BIO's Special Operations team is fundamental in helping companies in distress to survive the crisis and enhance their resilience.

BIO's Special Operations team will perform a new due diligence for every new situation and client, entering into conversation with the client and other stakeholders to try and align the interests of all the involved parties and come up with a "best fit" solution. BIO's contribution ranges from a rearrangement of repayment schedules, a temporary moratorium on payments, a technical assistance to increase the client's resilience, to, in some cases, all of the above.

BIO's Emergency Financing Facility

In 2020, BIO established a EUR 50 M Emergency Financing Facility to support those companies hit by the pandemic. This facility was used to quickly provide standstills, moratoria, guidelines, restructurings and capital injections, to help its investee companies survive. To date, 4 emergency financing projects have been approved.

Acceso Crediticio

Interview with Desiré Baca, Senior Portfolio and Financial Restructuring Officer

For clients heavily affected by the covid pandemic BIO's Special Operations team - together with colleagues from other departments – was their first line of response. It assisted clients, stakeholders and other impact investors to find suitable solutions for all parties in need.

The Acceso restructuring exercise involved no less than 29 partners and took almost one year

Acceso Crediticio is a microfinance institution specialising in providing credit to the thousands of taxi drivers of Lima, the capital of Peru. Being a taxi driver in Peru is a survival job, so it is often the first thing an unemployed person will do. Historically it is also a job associated with men, based on the prejudice



Taxista clients of Acceso Crediticio were hit very hard by the global pandemic and subsequent lockdowns

Jesus Angel is a taxi driver in Peru's capital Lima. As he lacks the money to buy his own taxi, he was happy that Acceso Crediticio provided a loan to do so. Like most of the 11,500 taxistas with an Acceso loan, Jesus' car runs on natural gas, which produces the least exhaust gases of all fossil fuels, keeping Lima's air breathable for its ten million inhabitants. Of course, renewable energy would be better still, but its cost would be too high for the taxistas.

Acceso charges the taxistas 500 dollars per month for the loan and for car insurance, while its sister companies offer car maintenance, financial and legal advice. When covid-19 hit Lima, the city went into the longest lockdown in the world, and virtually all taxi drivers were out of work. Since March 2020, the taxistas' payments have dried up, slashing Acceso's income, while it has to continue paying ongoing costs and debts, including – but not limited to – BIO's EUR 8.5 million loan.

that men are better drivers. However, with the surge of taxi applications in Lima over the past few years, more women are becoming taxi drivers. Therefore, Acceso Crediticio is currently developing new products to help those women also get financing to buy their own vehicles.

When covid hit the world in 2020, Peru imposed one of the earliest and strictest lockdowns in Latin America. The country's borders were shut, curfews were imposed, and people could only leave their homes for essential goods. This was repeated in 2021. As could be expected, the more than 300,000 taxi drivers in Lima were hit hard, severely impacting their capacity to repay loans.

To be able to continue operating given the liquidity constraints caused by this situation, Acceso Crediticio urgently needed to find funding in 2021. However, a large-scale restructuring was required for Acceso Crediticio to manage its liquidity position and recover its ability to raise funds. Therefore, to swiftly reinforce the company's solvency position, it needed existing investors to inject more



Cirstina Navero, one of Acceso's clients

capital (equity) and/or lenders to provide loans structured similarly to capital injections (quasi-equity or subordinated debt).

Although BIO was willing to provide a subordinated loan, this wasn't without risk, considering the lack of a restructuring agreement, the difficult negotiations ahead, and the complex political and sanitary situation in Peru. However, doing so showed trust in the institution and sent a strong signal to

other potential investors, convincing them to follow suit. In this way, the subordinated loan that BIO provided catalysed funding from other investors. Thanks to BIO's emergency loan, Acceso was able to start to resume its operations little by little and to continue supporting its clients, which were in great need due to the impact of the pandemic.

After having finalised the restructuring, I travelled to Peru in January 2022, where I witnessed the strength and resilience of the company.

After a long year of hard work and lockdowns, it was amazing to go to Peru and meet Acceso's team in person for the first time. Of course, we had spoken a lot on the phone before, but this was different. Suddenly, these people and their clients were not faces on a screen anymore. It was a wonderful feeling, because, ultimately, we weren't in it just for Acceso, but for its many clients: those taxi drivers whose vehicles - financed by Acceso - are their main source of income to provide for their families.

Avi Niger

Avi Niger is another example of a truly resilient company which managed to overcome the most dire circumstances.

Avi Niger is a greenfield poultry project located close to Niamey, Niger, and is the country's first large-scale provider of fresh chicken eggs – a pioneering enterprise providing the Nigerien population with easily affordable protein. As the country is one of the poorest in the world, plagued by hunger and turmoil, where two out of three residents live below the poverty line and more than 40 percent earn less than USD 1 a day, affordable eggs are not a luxury, but a necessity.

Avi Niger started in 2018 as a state-of-the-art egg farm, striving hard to comply with ever toughening EU food safety standards. But in August 2020, the record-breaking water level of the Niger river caused Avi Niger's production facilities to be flooded. Fortunately, most chickens survived, and the company managed to limit the water's impact on its installations.



The flood of August 2020

In February 2021 the company had recovered and reached full capacity again, with four battery cages fully operational and baby chicks in the henhouse. But in March 2021, an avian flu H5N1 pandemic struck Niamey. Despite state-of-the-art hygiene and health security provisions, 150,000 laying hens died within three weeks. On top of that, covid-19 happened.

In the face of such calamities, Avi Niger showed remarkable resilience. It could count on BIO's Special Operations team for advice and, in October 2020, on a EUR 1 M additional loan. The company also diversified its income with the production of animal feed mix for camels, cows, chickens, goats and sheep. Moreover, thanks to its regular customers and to the public tenders it keeps winning (the local Enabel office is one of its clients), Avi Niger is surviving and looking confidently towards the future.

The egg business is now being revived and jobs are once again being created. To prevent damage from future floods – a certainty in a world wracked by the ever-mounting consequences of climate change – a new wall surrounding the company premises will be constructed. To limit the impact of diseases – equally a certainty – a thorough audit of bio-sanitary practices will be undertaken to guarantee the highest quality standards in the future.



Development and sustainability

SDG 5 – gender equality

Of all the BIO projects approved in 2021, 16 out of 21 qualified for the 2X Challenge – to which BIO contributed over EUR 75 M in new investment commitments over the year.

In Indonesia, the microfinance institution **KOMIDA** ('We Care for the Poorest Women'), is a savings and loan cooperative owned by rural women that exclusively targets female entrepreneurs. As of July 2021, KOMIDA counted 824,725 members, 318 branches, more than 4,000 staff members, and a loan portfolio of EUR 102 M. KOMIDA plans to attract another 400,000 female customers by 2025.

BIO granted a EUR 6 M loan to the institution, which agreed to further improve its gender practices by loosening the requirements for women to obtain credit and improve internal working conditions for female employees. As the first European DFI to disburse a loan to KOMIDA, this loan is a stamp of approval that will comfort and reinforce the KOMIDA brand.

Another BIO investment with a strong gender performance is **Advans Côte d'Ivoire** in West Africa, which provides financial services to MSMEs in urban and rural areas. It is part of the Advans Group, a DFI-led initiative to provide financial services to underserved populations.

A third of its clients, 50% of its employees, and half its key managers are women, which makes it eligible for the 2X Challenge on three fronts: leadership, employment, and consumption.

In 2021, BIO provided a second loan of EUR 2 M to Advans Côte d'Ivoire. The company also received a technical assistance subsidy to promote the upward mobility of female middle managers to senior positions, to foster a culture of gender equality, and to promote shared experiences and good practices between the Ivorian branch and the other subsidiaries of Advans Group.

Similar technical assistance subsidies with a strong gender equality focus were also granted to three other financial institutions: Banco Guayaquil and Banco Solidario in Ecuador, and Fidelity Bank in Ghana.



Client of KOMIDA

SDG 7 – affordable and clean energy

Ten out of the 13 direct energy projects in BIO's portfolio are renewable energy projects, while an additional 71 indirect energy-related projects were financed by 11 specialised investment funds in BIO's portfolio. The total energy supply supported is the equivalent of the annual consumption of about 38 million people, more than 90% of the total population of Africa. In 2020, BIO's direct and indirect renewable energy supply corresponded to a total of 3,730,000 tonnes of CO_{2e} avoided, which is equivalent to the greenhouse gas emissions of 803,700 gasoline-powered passenger vehicles driven for one year.

All impact data, unless stated otherwise, are non-attributed figures based on BIO's portfolio of outstanding investments on 31.12.2020. Indirect impact data are calculated using the Joint Impact Model (JIM), a web-based tool for impact-oriented investors in developing markets..

candi solar is a company that installs, owns, and operates solar production plants in India and South Africa. Its clients are SMEs that need reliable and affordable energy but prefer to concentrate on their core business and want to outsource the financing and management of a solar plant. By the end of 2021, the company had already installed 11 MWp of operational solar plants for more than 20 different off-takers.

Indian and South African electricity generation is generally based on fossil fuels and, especially in India, the grid is subject to regular power outages. In 2021, BIO granted a USD 5 M loan to candi solar. BIO's funding will allow the company to increase its capacity by around 10MWp, reducing its clients' energy dependency on the national grid and avoiding an estimated 2,422 tonnes CO_{2e}. candi solar also agreed to develop a sustainable solar panel sourcing policy as well as a risk mapping of its suppliers.

Solar panel supply chains

In 2021, there were disquieting reports about forced labour concerning the Uyghur minority in China. This raises many questions about how to deal with the risk of investing in projects involving solar panels. BIO vehemently condemns any use of forced labour in any of its investment projects, and in any of the supply and off-taker chains of these projects. BIO will communicate this position in all relevant relations with (potential) clients and other stakeholders. BIO will favour the creation of fully transparent alternative solar panel supply chains so that any risk of forced labour can effectively be excluded. BIO will keep itself informed on the development of such alternatives and will support them with investments and technical assistance. Moreover, BIO will seek to align itself with European DFIs, IFC and the World Bank Group on a joint policy to address the risk of forced labour in solar panel supply chains.

Spark+ Africa Fund is an impact investment fund that aims to develop and scale-up an inclusive and sustainable clean cooking industry in sub-Saharan Africa. Clean cooking contributes to the reduction of deforestation, the mitigation of climate change, the lowering of indoor air pollution, and the reduction of deaths from smoke-related illnesses. In addition, improved cooking stoves lower household energy consumption and expenditure on cooking fuel.



Clean cooking solutions

In 2021, a specialised consulting firm, Atkins, evaluated the climate-related risks and opportunities in the BIO portfolio. The study looked at 11 case studies and resulted in concrete recommendations concerning strategy, governance, risk and opportunity management, and the use of metrics and targets in order to better address climate-related risks in the future. A summary is available on BIO's website.

Spark+ will invest in around 27 companies that manufacture, distribute, or enable the delivery of clean and energy-efficient cooking solutions for the poorest socio-economic groups. In addition, the fund will invest in distribution and financing companies that are able to scale-up clean cooking solutions, including off-grid solar companies and microfinance institutions.

BIO has invested EUR 2.5 M equity in Spark+ Africa Fund.

SDG 8 – decent work and economic growth

BIO considers employment as one of the primary objectives of all of its investments and actively supports SDG 8 on decent work and economic growth. By the end of 2020, BIO’s direct investments supported 117,462 direct jobs and its indirect investments an additional 158,432. For direct investments, net job creation reached 3,210 jobs in 2020 and the direct contribution to local added value reached EUR 3.6 billion, as estimated by the Joint Impact Model (JIM).

More importantly, investment projects have substantial indirect effects on the whole economy beyond the direct jobs.

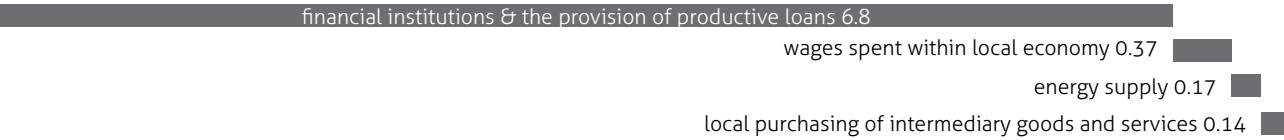
Optima Financial Services is a Salvadorian financial institution. It offers financial products and services to micro, small and medium-sized

businesses. Optima is a private initiative that seeks a clear and measurable social impact in addition to financial profitability.

In 2021, BIO granted the company a USD 5 M loan and helped create an environmental and social action plan that improves the company’s social performance for its more than 230 employees, and helped improve the internal work environment with measures regarding fire safety, worker representation, overtime, and a grievance mechanism.

The **Phatisa Food Fund II** invests in SMEs across the African food value chain and agribusinesses. It is expected to create 2,000 quality jobs and sustain 10,000 permanent jobs for smallholder farmers and micro-entrepreneurs. It actively encourages its

JIM estimate indirect jobs supported in 2020 (M)



T&T Fruits

investees to have a gender policy in place and to increase female employment.

In 2021, BIO invested EUR 5,767,300 equity in the fund. While the fund already had a relevant E&S management system (ESMS) in place, including a dedicated decent work policy, BIO worked with Phatisa to further upgrade its ESMS to develop a stakeholder engagement framework, hire a dedicated E&S manager, and develop a formal climate change risk management process.

T&T Fruits is a Peruvian family-owned company that is specialised in the processing and packaging of quality fresh fruits. The company has a packaging facility in Huaral, 90 kilometres north of Lima and strategically located near Callao and Chancay port, designed to reach a capacity of 1,650 containers per year.

T&T Fruits buys mangoes, mandarins, avocados, etc. from smallholders and medium-sized farmers, thereby stimulating rural economic development by offering better prices. Thanks to a BIO loan of USD 3.7 M, T&T will be able to free up cash flows, expand its processing capacity, and in doing so, create around 180 decent additional jobs. To do so, the company agreed on an environmental and social action plan that particularly aims at improving labour conditions, occupational health and safety, fire safety, and workers’ rights.

In 2021, BIO also granted USD 9,145 in technical assistance to T&T in order to support the company’s capacity to assess the main environmental and social risks, and develop a suitable action plan.

SDG 9 – Industry, innovation and infrastructure

Inclusive and sustainable industrialisation, together with innovation and infrastructure, can harness dynamic and competitive economic forces that generate employment and income in developing countries. However, least developed countries, in particular, need to accelerate the development of their manufacturing sector if they are to meet SDG 9. That is why BIO is supporting 62 manufacturing businesses, representing one-fourth of its investments in enterprises.

All but one of BIO's 21 investments approved in 2021 target SDG 9 by promoting private sector consolidation and/or innovation. Twelve out of these investments have it as a primary goal.

Take, for example, **Ezdehar Mid Cap Fund II**, BIO's first fund investment in Egypt. This is another example of how BIO supports the development of new industries. Established in 2015, Ezdehar emerged as a leading private equity fund manager in Egypt, successfully raising its first fund in 2016 despite the politically and economically challenging times. This fund strongly focusses on improving technical capacity, management teams and governance of SMEs and family businesses. It typically invests in companies with largely informal processes, and converts them into well-governed institutions with good E&S practices. BIO's investment in Ezdehar supports a burgeoning private equity industry in Egypt, which has been severely impacted by a succession of crises, but which also shows strong resilience in the face of adversity.

In 2021, BIO invested USD 10 M in equity in the fund, while the SDG Frontier Fund invested another EUR 2 M in 2022.



Aerobotics

Cathay AfricInvest Innovation Fund is a pan-African SME fund with a partnership between fund managers AfricInvest and Cathay Innovation. This venture capital fund supports innovative businesses that address socio-economic gaps in Africa with seed and growth money. It supports the emergence of a digital economy in Africa by enabling success stories on the continent, in turn reinforcing the African venture capital ecosystem and creating an innovation cycle.

One of the fund's investees, Aerobotics, is a South African company that has developed a technology that uses imagery from drones and satellites to provide treespecific information on count, size, health and chlorophyll levels. It also provides fruit-specific information, which is critical in predicting yield and ultimately profit. Besides serving African farmers, the technology has, amongst others, been adapted to the US crop insurance market, providing insurers with key elements for their inspection process.

In 2021, BIO invested EUR 6 M in equity in the fund, while the SDG Frontier Fund invested another EUR 2 M.

SDG 10 – reduce inequalities within and among countries

At the end of 2020, 23 out of the 72 companies directly funded by BIO and 124 out of the 438 companies indirectly funded through funds, could be found in least developed countries (LDCs). Overall, they contributed respectively EUR 431.2 M and EUR 921.7 M in tax revenues to their local governments. In 2021, four out of the 21 projects approved were in LDCs.

Look, for example, at Mali, one of the poorest countries in the world. **Cofina Mali** is part of a young pan-African mesofinance group, which is operating in a complex market with low financial inclusion. It supports informal micro-enterprises, which are key drivers for local economic activity, employment, and poverty alleviation. In 2021, BIO granted a EUR 3 M loan to Cofina Mali. This investment will allow the company to support the informal economy in a post-covid context and give access to the full range of banking services to its highly underserved customer segment in one of the most fragile, least developed countries.

Family farming represents more than 90 per cent of all agriculture in Paraguay. The sector is characterised by low productivity and limited access to land, capital and technology. Financial resources are scarce, which means that fertile land remains uncultivated and that farming is more expensive for those people who can least afford it, but depend on it the most.



Cattle farming in Paraguay

This makes a cooperative bank which provides financial services for other cooperatives, small to medium-sized enterprises and rural producers, like the **Banco para la Comercialización y la Producción (Bancop)**, a valuable asset to Paraguay’s economy. Bancop has a loan portfolio of USD 370 M and serves about 15,000 clients, mainly smallholders and livestock farmers.

BIO provided a loan of USD 3 M to Bancop in 2014 and another of USD 5 M in 2021 in order to support SMEs that are active in the agricultural and cattle value chain - the core clients of the bank. The bank, in cooperation with Paraguay’s central bank, demonstrates a willingness to achieve high E&S and governance standards.

In the past, it had already worked with DEG, the German DFI, to upgrade its Environmental & Social Management System (ESMS) to the latest standards, and with CAF, the Development Bank of Latin America, to enhance its corporate governance framework. In addition, the bank plans to structure green products and bonds, to formalise some HR practices and to implement an ESMS at the cooperative level.

Incofin India Progress Fund is a private equity fund investing in high impact sectors in India, such as financial services and the financial inclusion of underserved and underserved end customers in India's food and agricultural value chain. About half of its investments focus on the financial inclusion of economically disadvantaged groups like women and rural populations. The other half focus on opportunities for rural people in the agricultural value chain.



In 2021, BIO invested EUR 5 M in equity in the fund, while the SDG Frontier Fund invested another EUR 2 M. To celebrate the launch of the India Progress Fund, BIO and Incofin were honoured to welcome the Indian ambassador, H.E. Mr. Santosh Jha, at the Spectrum building in Brussels.

SDG 12 – responsible consumption and production

International sustainability standards for agriculture and forestry projects encourage companies to use fewer natural resources and produce less greenhouse gasses, pollutants and waste. Four financial institutions directly funded by BIO also offer green loans to support environmentally sustainable economic activities, for a total outstanding amount of more than EUR 1 billion at the end of 2020.

A large proportion of the unbanked population in sub-Saharan Africa are poor, live in rural areas and are smallholder farmers. The European Solidarity Financing Fund for Africa, **Fefisol Microfinance Fund II** (FEFISOL II), provides medium to long term loans to African microfinance institutions and agricultural entities in order to address this market failure: the lack of access to finance which has led to underinvestment in rural development.

FEFISOL II also focuses on smallholder producer organisations and agricultural SMEs that source over 60% of their raw material from smallholder farmers. In this way it wants to support economic activities in rural areas and strengthen local agricultural value chains with at least one organic or Fairtrade certification. The fund has technical assistance available to improve sustainability, provide certifications, and improve access to premium markets. Two dedicated agronomists are available to support sustainable agricultural practices.

In early 2022, BIO invested EUR 3 M in equity in FEFISOL II.

Corporate finances and governance

Balance sheet (EUR)

Assets	2021	2020
Formation costs	12,004.42	14,380.60
Fixed assets	604,371,876.17	580,831,916.94
Intangible assets	6,681.60	46,685.06
Tangible assets	966,649.39	147,295.23
Financial investments	603,398,545.18	580,637,936.65
Loans	373,473,396.18	383,374,500.05
Equity	229,925,149.00	197,263,436.60
Current assets	501,906,721.72	481,370,380.49
Securities	481,979,643.18	459,934,837.53
Cash at bank & in hand	7,779,970.44	7,760,033.41
Other current assets	12,147,108.10	13,675,509.55
Total assets	1,106,290,602.31	1,062,216,678.03

Equity & liabilities

Equity	1,096,247,819.42	1,052,363,677.81
Capital	4,957,873.00	4,957,873.00
Reserves	1,028,329,691.70	993,329,691.70
Accumulated profit	11,376,820.72	11,636,113.11
Capital subsidy	51,583,434.00	42,440,000.00
Provisions & deferred taxes	30,342.40	133,600.33
Liabilities	10,012,440.49	9,719,399.89
Amounts payable within one year	2,928,887.85	2,336,352.21
Accrued charges & deferred income	7,083,552.64	7,383,047.68
Total equity & liabilities	1,106,290,602.31	1,062,216,678.03

The balance sheet total increased by EUR 44 M (+4%) from EUR 1,062 M to EUR 1,106 M. This increase is mainly due to the new capital and capital subsidies received from BIO's shareholder. Financial fixed assets, consisting almost exclusively of the investment portfolio, grew by 4% in 2021. Cash and investments remained stable at 44%. Shareholder equity increased by EUR 44 M under the cumulative effect of (i) new allocations to unavailable reserves of EUR 35 M and to net capital subsidies of EUR 9.1 M, and (ii) the loss for the financial year of EUR 0.259 M. The provisions for liabilities and charges mainly include the amount set aside for a possible adjustment of VAT.

Income statement

Despite the international context remaining complicated in 2021, BIO showed resilience and closed the financial year with a loss of EUR 0.259 M. Even though we record a loss this year, BIO improves its net result by EUR 14.3 M compared to last year.

The revenues increased by 10% compared to 2020. We increased our loan revenues by 4%. The average rate of return on the loan portfolio has remained stable at 5.2% over the past years. The capital gains realised on the resale of participations increased by EUR 1.9 M compared to those sold in 2020. BIO received EUR 1.7 M more in dividends from its participations compared to last year, for a total amount of EUR 4.7 M. The capital gains realised on the resale of participations reached EUR 0.8 M and were therefore EUR 0.5 M higher than in 2020. After deducting direct costs linked to projects (various commissions, travel expenses, bank transfer costs ...), the gross margin increased by 9% and is aligned with the increase of the reported revenues. Operating costs rose by EUR 0.587 M and reached EUR 10.807 M, representing a growth of 6%. As a result, the net margin is 12% higher and reaches EUR 16 M. For the first time since 2018, the net margin is sufficient to offset the cost of risk. The operating result shows a positive balance of EUR 0.6 M. Finally, we register a net foreign exchange loss of EUR 0.9 M, including EUR 0.3 M linked to the expenses/profits after the hedging instruments were unwound.

BIO has no debts with regards to taxes for the financial year thanks to the tax losses carried forward, and ends the year with a loss of EUR 0.259 M.

	2021	2020
Income	27,619,948	25,021,039
Treasury income and securities	203,723	293,884
Income on loans (interests + fees)	22,130,304	21,350,462
Income on Equity (dividends + capital gains)	5,285,921	3,376,694
Project charges	-861,977	-575,334
Gross margin	26,757,971	24,445,706
Operating costs	-10,806,882	-10,221,205
Net margin	15,951,089	14,224,501
Provisions and write-offs on projects (cost of risk)	-15,369,075	-27,247,825
Operating result	582,014	-13,023,324
FX Results	-852,775	-1,560,979
Extraordinary result	11,469	-
Result before taxes	-259,292	-14,584,303
Taxes	-	-
Net Result	-259,292	-14,584,303

Governance

Composition and gross remuneration of the board of directors until 6 August 2021

	Board title	Remuneration (EUR)	IC	AC	HRC
Laurence Christians	Member	4,500.00		X	
Françoise Demeuse	Member	4,500.00			X
Jean-Claude Fontinoy	Member	5,500.00	X		
Xavier Godefroid	Acting chair	6,495.38			X
Jan Kerremans	Member	6,000.00		X	
Carl Michiels	Member	2,500.00			X
Els Schelfhout	Vice chair	6,997.69	X		
Annuschka Vandewalle	Member	7,500.00	X		X
Pieter Verhelst	Member	6,500.00	X	X	

Composition and gross remuneration of the board of directors from until 6 August 2021

	Board title	Remuneration (EUR)	IC	AC	HRC
Samira Bersoul	Member	2,500.00			X
Jean-Christophe Charlier	Member	3,500.00	X		
Laurence Christians	Member	3,500.00	X	X	
Walter Coscia	Member	2,500.00		X	
Annelies De Backer	Member	3,500.00	X		
Géraldine Georges	Chair	3,962.42			
Aline Godfrin	Member	2,500.00		X	
Illias Marraha	Member	2,000.00			X
Peter Moors	Member	3,500.00	X		
Frédéric Van der Schueren	Member	3,000.00	X		
Annuschka Vandewalle	Member	4,000.00	X		X
Pieter Verhelst	Vice chair	3,481.22		X	

The Investment Committee (IC) is responsible for advice to the board of directors on investment decisions, and the analysis and monitoring of the portfolio. The Audit Committee (AC) advises the board for its oversight of the company's financial reporting, audit and risk management. The HR Committee assists the Board in human resources policy matters.

Mr Peter Moors was the Government Commissioner (Ministry for development cooperation) until 17 February 2021. Mr Dirk Van der Maelen has been the Government Commissioner (Ministry for development cooperation) as of 17 February 2021.

Ms Nancy Van Den Broeck was the Government Commissioner (Ministry for budget) until 17 July 2021. Mr Eddy Van Der Meersch has been the Government Commissioner (Ministry for budget) as of 17 July 2021.

Ms Heidi Rombouts was appointed as the Director General of Development Cooperation and Humanitarian Aid (DGD), at the Federal Public Service Foreign Affairs as of 1 October 2021. In this capacity, she attends meetings of the Board of Directors.

Executive Management

- Luuk Zonneveld: Chief Executive Officer managing development and sustainability, communications, external relations and internal audit
- Carole Maman: Chief Investment Officer, managing enterprise, infrastructure, private equity, financial institutions, and portfolio investment units
- Yumi Charbonneau: Chief Legal Officer, managing the legal and human resources departments
- Emmanuel Bellis: Chief Financial Officer, managing the finance and IT departments

Country list and investment criteria

BIO invests in Least Developed Countries, Low Income Countries and Lower-middle Income Countries (i.e., the OECD's DAC-list). BIO can also invest in selected upper middle-income countries and pays particular attention to the partner countries of the Belgian Development Cooperation and to less developed countries. In total, directly and indirectly, BIO may invest in 52 countries. Absolutely excluded are countries that function as offshore financial centres, as defined by Royal Decree and by the Global Forum on Transparency and Exchange of Information for Tax Purposes. For more information, please consult BIO's webpage.

Latin America & Caribbean	Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru
Sub-Saharan Africa	Benin, Burkina Faso, Burundi, Cameroon, Côte d'Ivoire, Dem. Rep. Congo, Ethiopia, Ghana, Guinea, Kenya, Madagascar, Malawi, Mali, Mozambique, Niger, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Uganda, Zambia
Middle East & North Africa	Algeria, Egypt, Iraq, Jordan, Lebanon, Morocco, Palestinian Territories, Syria, Tunisia
Asia	Bangladesh, Cambodia, India, Indonesia, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Vietnam

Instruments: debt & equity
Financing: €, \$ or local currency
Preference: agriculture and agribusiness, MSMEs and financial sector targeting MSMEs, renewable energy

Business Development Support Fund

For companies to overcome challenges and to grow and prosper, they not only need tailor-made investments, but also the skills and know-how to improve business performance and sustainability. That is why BIO's Business Development Support Fund (BDSF) enables companies to hire the consultants they need. In order to ensure an alignment of interests and maximise the project's chances of success, BIO and its customers share the costs.

International certifications like ISO, Fairtrade, Organic and FSC can also be instrumental in reaching a company's objectives. Grants from the BDSF can help obtain these, alternatively, the BDSF's subsidies for feasibility studies and technical assistance can be used for the setting up of gender equality programmes, the creation of green financial products, the adoption of best lending practices, or the development of client protection measures for the end-beneficiaries of microfinance institutions.

Technical assistance improves a company's economic, social and environmental impact by co-financing, for example, its environmental and social action plan, the digital product development for a microfinance institution, or the establishment of a business training centre for a bank's SME clients.

Feasibility studies are indispensable instruments to analyse the technical viability and profitability of an investment project. These may range from an E&S-impact study of a new solar project to a market and technical study for an agribusiness project.

In 2021, BIO signed 15 technical assistance projects for a total of EUR 332,613.

2021 BDSF investments

Account	Country	Department	Activity	Signing Date	Amount
Agroserv Industrie S.A.	Burkina Faso	Enterprise	Manufacturing	09/02/2021	10,392.00
Plantations et Huileries du Congo S.A.	DR Congo	Enterprise	Agriculture, forestry & fishing	18/03/2021	47,069.00
T&T Fruits S.A.	Peru	Enterprise	Agriculture, forestry & fishing	15/06/2021	7,695.00
KCB Kenya Ltd.	Kenya	Financial Institution	Microfinance institution	13/07/2021	28,200.00
FINCA Malawi	Malawi	Financial Institution	Commercial bank	13/07/2021	5,438.00
Alterfin S.C.R.L./C.V.B.A.	Various	Financial Institution	FI Fund	03/08/2021	20,125.00
Banco Solidario S.A.	Ecuador	Financial Institution	Microfinance institution	28/09/2021	15,791.00
Advans Cote d'Ivoire	Côte d'Ivoire	Financial Institution	Microfinance institution	14/10/2021	54,232.00
ACEP Group	Cameroon	Financial Institution	Microfinance institution	18/10/2021	14,000.00
Geuther Vietnam Co., Ltd.	Vietnam	Enterprise	Manufacturing	18/10/2021	24,898.00
ACEP Group	Burkina Faso	Financial Institution	Microfinance institution	19/10/2021	12,565.00
Banco Popular S.A.	Honduras	Financial Institution	Microfinance institution	21/10/2021	12,858.00
Banco Guayaquil	Ecuador	Financial Institution	Commercial bank	25/10/2021	38,164.00
Cofina Mali	Mali	Financial Institution	Microfinance institution	23/11/2021	4,185.00
Tunisie Leasing et Factoring S.A.	Tunisia	Financial Institution	Financial leasing	30/11/2021	37,000.00

For example, the technical assistance for Finca Malawi cofinanced an SPL4 audit. SPI, short for Social Performance Indicators, is a social performance assessment tool for financial service providers. It allows them to evaluate their level of implementation of the *Universal Standards for Social Performance Management*, including the *Smart Campaign Client Protection Principles*.



Finca Malawi

Partnerships

SDG Frontier Fund

The SDG Frontier Fund is a self-managed co-investment vehicle set up at the initiative of BIO which invests jointly with BIO in private equity funds operating in Africa and Asia. The fund reached its final closing for a total fund size of EUR 36 M in February 2022, thanks to the participation of four additional Belgian private investors, amongst which the University of Ghent and Ethias. They joined the prominent investors of the first closing, which include AG Insurance, Belfius Insurance, the King Baudouin Foundation, Volksvermogen and vdk bank, and a number of family offices.



The fund aims to support around 100 SMEs in their growth. To date, the SDG Frontier Fund participates in nine funds:

- African Rivers Fund III, a mezzanine fund active in DRC and Uganda, invested, for example, in Ecopharm, a Ugandan pharmacy chain. The company currently operates 15 pharmacies in and around Kampala, where it also offers free additional services such as blood pressure monitoring, weight measurement, and blood sugar tests.
- Ascent Rift Valley Fund II is a private equity fund that primarily invests in fast-growing SMEs in Eastern Africa, with a focus on Ethiopia, Kenya and Uganda.
- Cathay AfricInvest Innovation Fund, a venture capital fund aiming to support innovative businesses across Africa, has invested in GoMyCode, a Tunis-based technology platform which delivers high-quality, affordable, locally rooted and digital trainings, facilitating the access of young professionals to the local job markets in Africa and the Middle East.



- Excelsior Capital Vietnam Partners is a private equity fund that primarily invests in SMEs or mid-sized businesses in Vietnam.
- Ezdehar Mid-Cap Fund II, a private equity fund in Egypt, targets SMEs and family businesses which remain largely overlooked by the broader investing community.
- AfricInvest Financial Inclusion Vehicle (FIVE) is an evergreen investment fund focusing on financial inclusion in Africa. It has, amongst others, invested in Instadeep, a Tunisian company that uses artificial intelligence to help businesses make complex decisions. Recently, for example, Instadeep developed an early warning system to detect potential high-risk SARS-CoV-2 variants, in partnership with BioNTech, a German biotech company.
- Incofin India Progress Fund, a fund focusing on financial inclusion and agribusiness in India, has invested in Unnati, an Indian agritech company. Unnati enhances farmers' productivity by helping them at every stage of the farming cycle with services such as working capital, purchasing the right seeds and nutrients, and harvesting and selling crops.
- South Asia Growth Fund II LP is an investment fund that invests in the energy efficiency and clean energy sectors in India.
- Uhuru Growth Fund I is a private equity fund that seeks to invest in high growth companies across the ECOWAS region, with a focus on Nigeria, Ghana and Côte d'Ivoire.

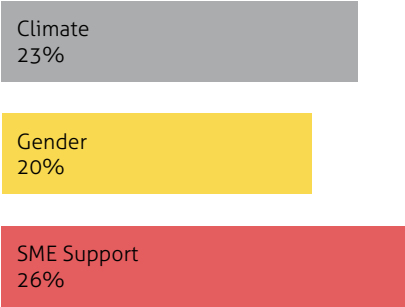
Team Belgium

BIO’s only shareholder is the Belgian state. This makes its accountability towards the Belgian people’s representatives in parliament and government a matter of paramount importance. In addition to this political accountability, BIO cooperates closely with the other actors of the Belgian Development Cooperation, such as the Directorate-general Development Cooperation and Humanitarian Aid (DGD), the Belgian development agency Enabel, and civil society.

With the latter, BIO started organising regular thematic workshops. Enabel, which is often involved in private sector development, can also count on BIO’s expertise for its flagship agricultural project in Senegal: the development of an industrial zone (Agropole) in the centre of the Sine Saloum region.

EDFI

EDFI is the association of the 15 European bilateral development finance institutions. Its mission is to promote the joint interests of its members, inform policy and drive innovation in industry standards. It aims to foster cooperation amongst its members and strengthen their relationship with the institutions of the European Union. BIO has been a member of EDFI since 2002.



EDFI members impact themes 2021

The EDFI members performed strongly in 2021, with new investment commitments and impact returning to pre-pandemic levels. Combined EDFI investment activity reached EUR 9 billion in 2021, with more than 800 new commitments to clients in the private sector in emerging and developing economies. This is equivalent to levels seen in 2019 (which was itself a record year), following a decline of 18% due to the covid pandemic. European DFIs fulfilled their promise to support African SMEs during the crisis and reaffirmed their strong commitment to climate finance and gender lens investing.

New investments by EDFI members in 2021:

- Africa investments: 4.1 billion (+33%)
- Climate investments: 2.1 billion (+51%)
- Gender lens investments: 1.8 billion (+70%)
- SME investments: 2.3 billion (+57%)



The shareholders of the European DFIs at the Egmont Palace

From 25 till 26 November 2021, BIO hosted the annual EDFI CEO and shareholder meetings, as well as the EDFI communications networking group, in Brussels. Topics ranged from lessons learnt from the covid crisis, the harmonisation of transparency and disclosure policies, constructive dialogue with civil society, and the importance of decent work and living wages. BIO also plays a leading role in EDFI as a member of the boards of both EDFI association and the EDFI Management Company.

BIO Team


Louis Abedi, Guillaume Accarain, Margarita Desiré Baca Livelli de K., Giulia Baconcini, Emmanuel Bellis, Salvador Blanco, Michael Botquin, Colin Burton, Federico Carraro, Vicky Carré, Xavier Casaled, Yumi Charbonneau, Maria Joao Coelho, François-Xavier Come, Laetitia Counye, David De Baerdemaeker, An-Heleen De Greef, Tom De Latte, Hélène De Viron, Quentin De Vreese, Jenny Decuyper, Mathieu Demoulin, Thomas Destrebecqz, Maximilien d'Harcourt, Mara Dinu, Gilles Dossogne, Marina Droin, Denis Duelz, Benoît Dumortier, Anne Emmerechts, Camille Fronville, Annina Göbel, Harold Grisar, Jérémie Gross, Pierre Harkay, Gaëtan Herinckx, Constantin Houchard, Jens Hutyra, Ben Jehaes, Delphine Kodeck, Silvia

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The Belgian Investment Company for Developing Countries, BIO, is a Development Finance Institution established in 2001 by the Belgian Development Cooperation to support private sector growth in Africa, Asia & Latin America. BIO provides long-term financing to enterprises, the financial sector, and private infrastructure projects, as well as grants for feasibility studies and technical assistance programmes. BIO invests in projects targeting both high and sustainable development impact, and a modest financial return.

BIO is a member of EDFI (European Development Finance Institutions).



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