



Banco Português
de Fomento

Sociedade para o Financiamento do Desenvolvimento

BERD Forum 2024 | Delivering Impact
with Portuguese companies in Morocco

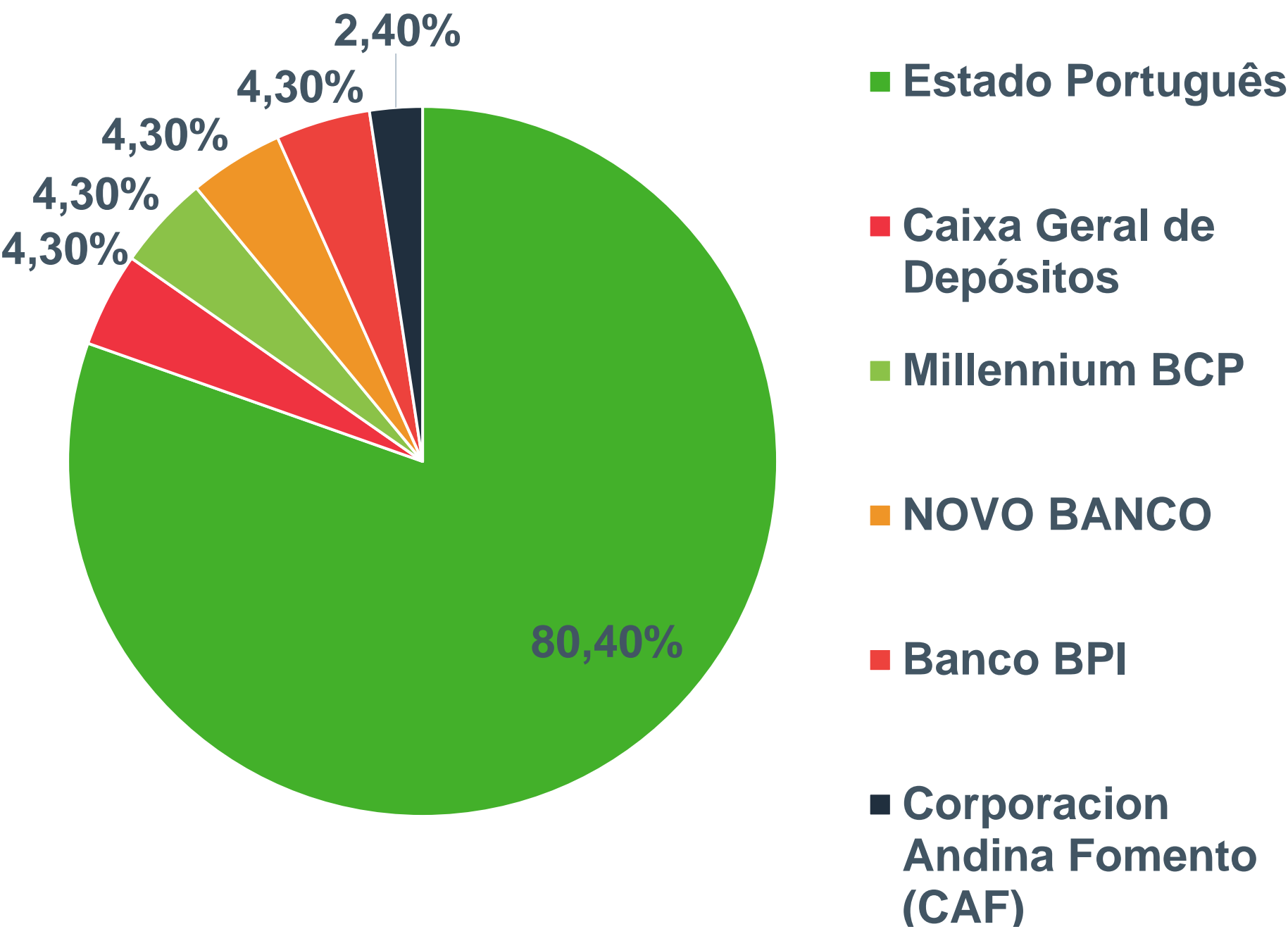
Ministry of Finance, 2 October 2024



SOFID was founded in 2007, with initial operations starting in 2010

Stakeholder Structure and Scope of Action

SOFID Stakeholder Structure | 2024



Future: A strategic plan is being prepared to merge SOFID into the BPF Group (Decree-Law 119/2023)

Development Financial Institution



Supports **investment in emerging or developing countries** (Africa/Latam) within the scope of the **Portuguese external cooperation policy**



Strengthens **Portuguese Direct Investment Abroad**



Promotes **sustainable development** through the private sector



Member of the **European Development Financial Institutions (EDFI)**



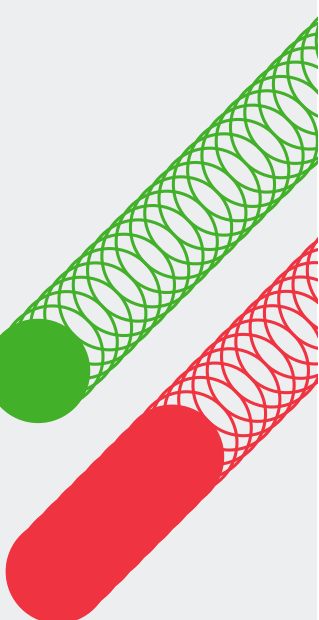
Corporate bank regulated by **Banco de Portugal**

The restructuring process in place will equip SOFID/BPF to better respond to the investment needs of the portuguese companies

BPF Group – SOFID's Governance Framework

Under Management by Banco Português de Fomento:

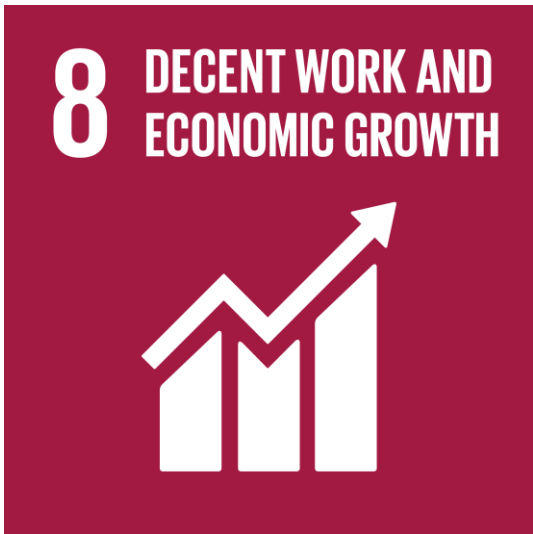
- 1 **BPF's by-laws due to be altered** to incorporate the **international mission and to become DFI**, with a specific business unit dedicated to internationalization;
- 2 **Executive Board of SOFID composed of BPF' Board members** since May 2024;
- 3 **DL 119/2023** determined the transition process of SOFID into BPF's scope, due to be completed until june 2025;
- 4 **Transfer of 100% of capital from SOFID to BPF**, by payment in delivery and increase in BPF's capital, and subsequent merger of balance sheet and activity;
- 5 **BPF is pillar assessed implementing Partner of the European Commission**, being able to access the European Funds to support private investment in developing countries.



SOFID aims to contribute to a better world, and the projects it supports must align with this goal

Project Financing Conditions as a Development Financial Institution

SOFID prioritizes:



ODS #5 - Gender Equality ODS #8 - Decent Work and Economic Growth ODS #10 - Reduced Inequalities ODS #13 - Climate Action ODS #17 - Partnerships for the Goals

1 Target Markets

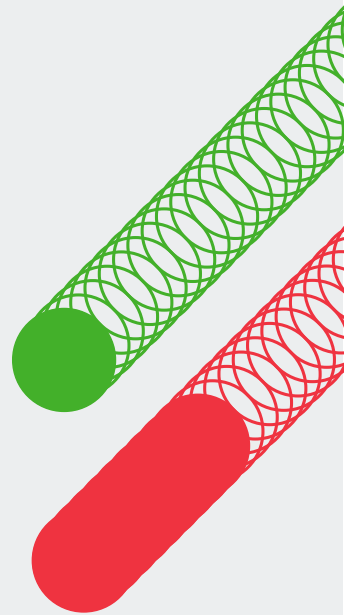
Prioritizing Lower Economic and social development: Low-Income Countries or Lower Middle-Income Countries.

2 Main Sectors of Activity

Construction and Engineering, Mobility and Transportation, Energy, Water Supply and Waste Management, Manufacturing Industries, Information, Communication, and Electronics Technologies (ICT), and Agriculture or Agro-industry.

3 Excluded Sectors

Activities likely to cause environmental impacts, such as fossil fuel extraction, Military or police infrastructures or those that restrict rights, freedoms or guarantees or activities exclusively focused on real estate promotion.



Overall, SOFID has supported more than 35 projects in 14 countries (EUR 42.34 million), representing a total of EUR 201.5 million in investment.

Funded Projects 2010 - 2023

Projects supported by SOFID 2010-23

Country	Investment (M€)	%	Sectors*
Ivory Coast	49	24%	SGR
Mozambique	44,16	22%	Ind Com Med
Angola	41,68	21%	Agro ICT Ind
Ghana	20,67	10%	Infra & Const
Brazil	10,87	5%	Ind Energ
Morroco	10,44	5%	Serv Tur Ind
South Africa	8,19	4%	Agro
St Tome and Prince	5	2%	ICT
Mexico	3,64	2%	Ind
Argelia	3,01	1%	Serv
Guinea Conakry	1,81	1%	Infra & Const
Colombia	1,28	1%	Serv
Chile	0,93	0%	Com
Cape Verde	0,82	0%	ICT
TOTAL	201,5		

Main Investments in Morocco

- 1

Pinto Brasil / DIVMAC

2022

Investment 4,6M€

Financing SOFID: 3M€
- 2

OÁSIS

2019

Investment: 5M€

Financing SOFID: 2,5M€
- 3

VIBEIRAS

2013

Investment: 839k€

Financing SOFID: 600k€

Morocco ranks the 6th position, with a total of 10,44 million EUR.

Source: SOFID/BPF Analysis

Sofid and InvestimoZ Drive Economic Development Through Strategic Financing and Investment Opportunities

What we offer

SOFID Criteria



Loans, Guarantees, Capital and Funds

Currency: EURO

Interest Rate: Fixed or Variable

Payment periods: Flexible

Maturity and Capital Grace Period: Up to 10 years and up to 3 years grace period

Project Criteria:

- Projects to set up, expand or modernize companies
- Equity: **30%**
- Positive impact in economic, social and environmental terms
- Economic and financial viability

Criteria for Promoters:

- Companies with a minimum of **20%** Portuguese participation
- Type: Private or Public (provided they are run commercially)
- Size: SMEs or large companies

InvestimoZ Modalities

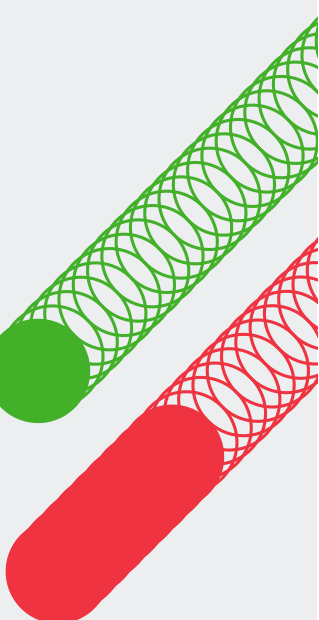


Portuguese Fund dedicated to investments in structuring sectors in Mozambique

93 M€

Five Modalities:

- Participation with Portuguese companies;
- Participation in Luso-Mozambican consortia;
- Loans for capital shareholdings in Mozambique;
- Financing for supplementary installments and/or capital supplies in Mozambique;
- Provision of guarantees to financial institutions in Mozambique;
- Credit line to local banks to support Mozambican companies hit by natural disasters.



In terms of economic promotion and cooperation, various public players can be involved

The role of public agents in addressing market failures



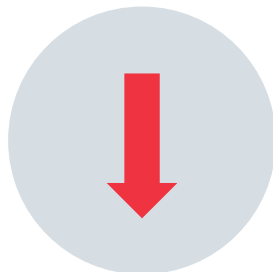
Promotional Banks have the mission of developing innovative financial instruments that foster economic growth and cooperation

Mission of Promotional Banks in Economic Cooperation Policy



The leading Promotional and Development Banks promote economic growth and cooperation

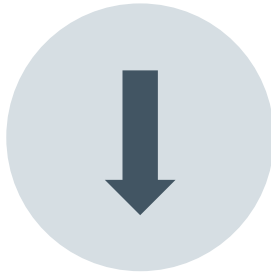
MISSION



Financial instruments to mitigate market failures in access to financing for SMEs and mid-caps

GOAL

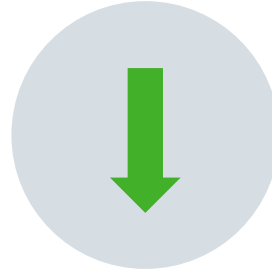
Funds: Public + Community + Private



Capitalization of viable SMEs and mid-caps

Promote long-term financing

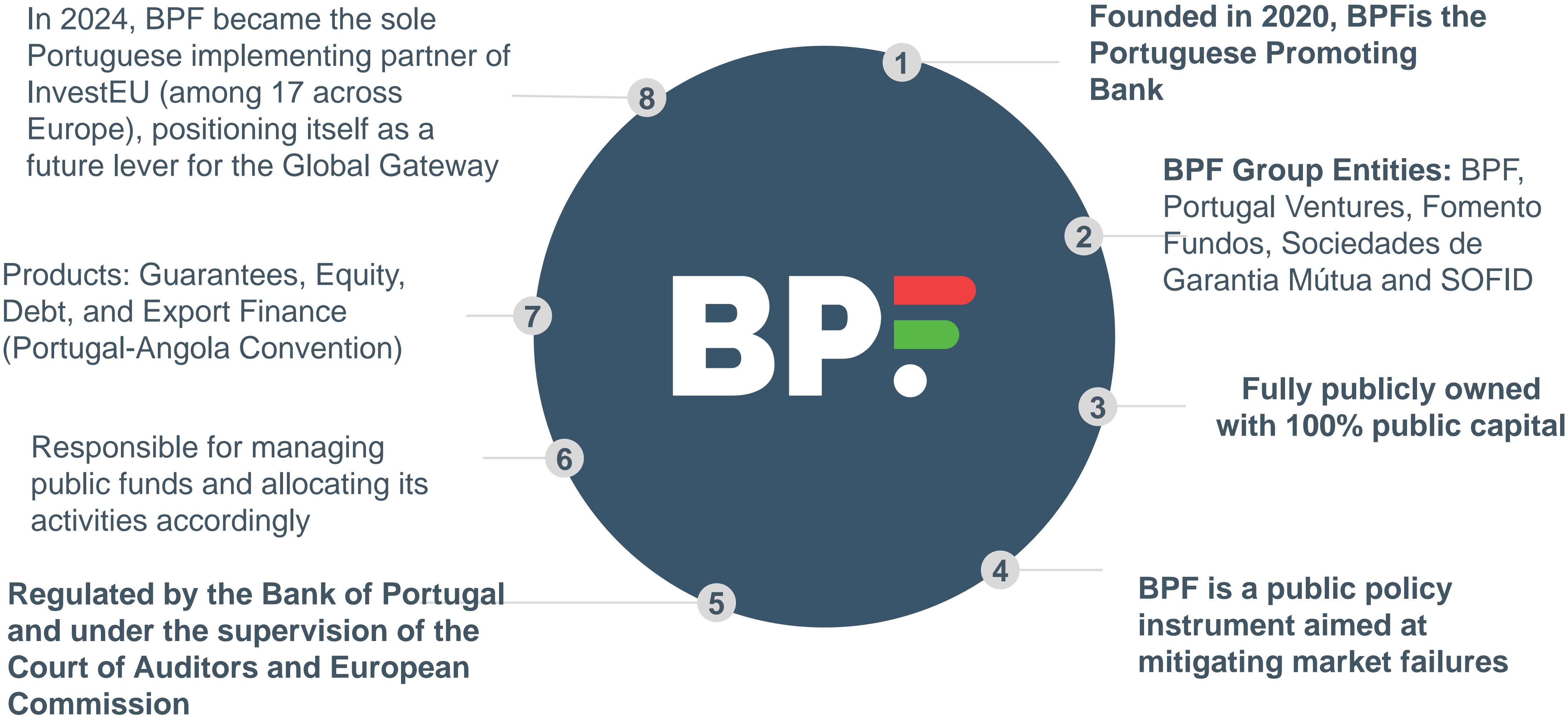
MODEL



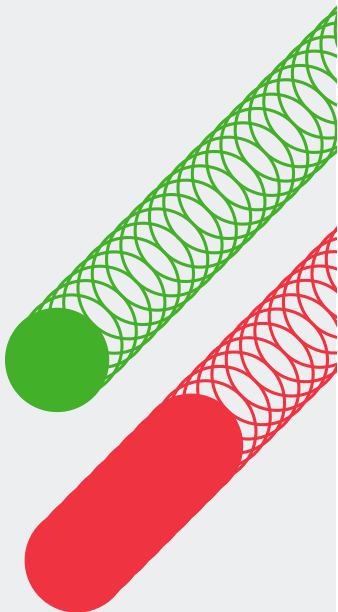
Guarantee Instruments (including export guarantees)
Debt Instruments (funding)
Equity Instruments (funding)
Equity Instruments (capitalization)

BPF's Goal is to mitigate market failures and financing, capitalizing, and promoting Portuguese companies' exports

Presentation and Mission of the BPF Group



Source: BPF Analysis



Promotional Banks in Southern European Countries Hold Controlling Positions in Subsidiaries Operating as ECAs and DFIs

~Positioning of Promotional Banks in Supporting Economic Cooperation

Examples of Promotional Banks with ECA and DFI Mandates:



COFIDES – Spanish DFI

COFIDES is the Spanish DFI, with ICEX (the Spanish equivalente of AICEP), ICO (the Spanish Promotional Bank), and some comercial banks as part of its shareholder structure.



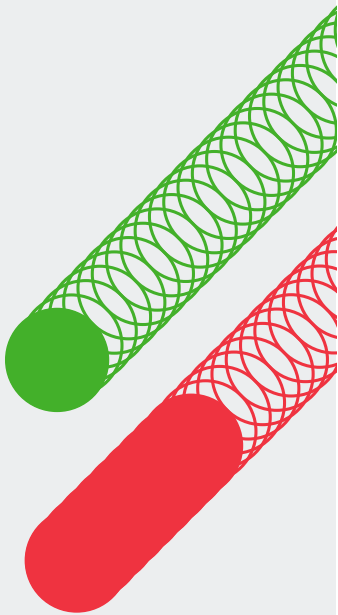
Bpifrance Assurance Export – French ECA

ECA activities are a division of BPIfrance, fully owned by the French Promotional Bank.



SIMESP – Italian DFI

SIMEST holds both ECA and DFI roles, with CDP (the Italian Promotional Bank) as its main shareholder. It is also a member of the Global Gateway.



The Portugal-Angola Convention (PT-AO), managed by BOF since 2021, aims to provide export credit coverage for national companies exporting to Angola

Overview of the Portugal-Angola Convention (PT-AO)

2004 – Signing of the Convention “Credit Risk Coverage for Export of Portuguese Equipment and Services to the Republic of Angola”, managed by COSEC.

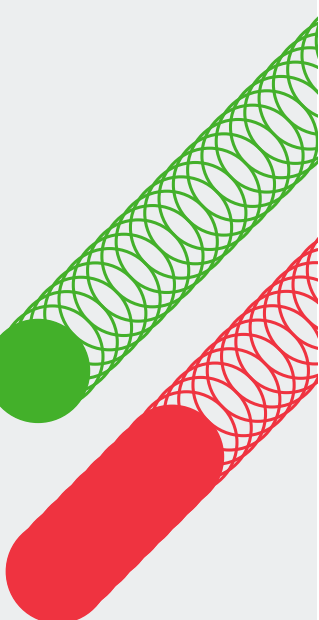


2021 – The Portuguese State grants BPF the mandate to assume the role of Export Credit Agency under the Portugal-Angola Convention.

2024 –An additional €500 million credit line was announced, **bringing the total to €2.500 million** (in contracting).

Under the Terms of the Convention:

- **The Portuguese Republic** commits to providing credit risk coverage for the export of Portuguese equipment and services to the Republic of Angola.
- **The Republic of Angola**, through its Ministry of Finance, guarantees the timely payment and transfer of amounts related to exports covered by the Convention.



An increase in BPF's international activity is anticipated with the integration of COSEC and SOFID, as well as its participation in the Global Gateway

Future of BPF's International Activities

INTEGRATION OF COSEC



The integration of COSEC into the BPF Group **has been decided** (Ordinance No. 7662-A/2022).

COSEC is responsible for providing **credit insurance with the guarantee of the Portuguese State to Portuguese companies.**

INTEGRATION OF SOFID



The **transfer of SOFID to the BPF Group** is in preparation (Decree No. 119/2023).

SOFID is **the Portuguese DFI** and, up until 2023, had supported 35 projects with **an investment of €201,5 million in 14 emerging countries.**

It also manages the **Portuguese Investment Support Fund in Mozambique** (InvestimoZ).

GLOBAL GATEWAY



The Global Gateway's mission is to **mobilize public and private investment** and promote smart, clean, and secure "connections" worldwide.

BPF has the potential to access Global Gateway financial instruments and fund projects in PALOP countries, provided its mandate is adjusted.

The Global Gateway has already **supported various projects in CPLP countries.**

Financing the future.

Thank you!

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