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IFC, SECO Expand Partnership to Promote Sustainable Investment in Emerging Economies

Paris, March 3, 2022— IFC, a member of the World Bank Group, and the Swiss State Secretariat for Economic Affairs (SECO) announced today a new program to spur private sector investment in developing countries by leveraging sound environmental and social (E&S) risk management and corporate governance practices.

The new Integrated Environmental, Social and Corporate Governance (ESG) Program will support private sector entities in several countries in Africa, East Asia and the Pacific, Latin America and the Caribbean, and South Asia with advice regarding corporate structures – such as controls and board oversight – to promote effective decision-making and E&S risk management. Originally piloted by IFC and SECO in Eastern Europe and Central Asia, the Program will support policy makers and firms from both the financial and real sectors in addressing critical ESG topics, including effective E&S risk management and systems; disclosure and transparency; climate risk and mitigation; and gender inclusion issues.

“We need to look at ESG oversight from all angles – starting with appropriate corporate governance practices,” said Mary Porter Peschka, Director, Sustainability & Gender Solutions, IFC. “Board oversight and corporate leadership on E&S risks are fundamental to creating a culture of sustainability, mitigating climate risks and strengthening investor and stakeholder confidence. IFC is excited to continue our partnership with SECO to drive investment in markets with the greatest development needs.”

The Program builds on more than two decades of collaboration between IFC and SECO in successfully advancing corporate governance and sustainable finance in 40+ countries, where 75 good practice codes and regulations have been adopted. To date, IFC and SECO programs have resulted in companies attributing improved ESG practices to \$3.7 billion in financing, and to a value of \$4.8 billion in sustainably managed funds.

“Strengthening ESG capacity is critical to achieving the Sustainable Development Goals (SDGs) and addressing the climate crisis,” said Liliana de Sá Kirchknopf, Head of the Private Sector Development unit, SECO. “However, ESG risks can be a stumbling block for private sector investment in developing countries. Our work with IFC aims to address this challenge by improving ESG practices in our partner countries and helping to bring in much needed investments aligned with the SDGs.”

The Program will help local regulators, financial institutions, investors, and companies manage ESG risks and bottlenecks, using IFC’s internationally recognized [Performance Standards](#) and [Corporate Governance Methodology](#).

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About SECO

The State Secretariat for Economic Affairs (SECO) implements Switzerland's economic and trade policy measures for the benefit of developing countries. It coordinates its activities with the Swiss Agency for Development and Cooperation (SDC) and the Peace and Human Rights Division (PHRD) of the FDFA. The three administrative offices implement Switzerland's international cooperation together. For more information, visit www.seco-cooperation.ch

About IFC

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2021, IFC committed a record \$31.5 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of the COVID-19 pandemic. For more information, visit www.ifc.org.

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