

SINGLE-USE PULSE 2021

A WEBINAR SERIES EXPLORING

THE BUSINESS OF SUTS

FRIDAY,
JULY 16

10:30-11:30
AM EDT

FINANCING GLOBAL HEALTH RESILIENCE



NAFISA JIWANI

*U.S. INTERNATIONAL DEVELOPMENT
FINANCE CORPORATION (DFC)*



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The Broadley James logo displays the name "Broadley James" in a blue, serif font, with a registered trademark symbol.

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The SAINT-GOBAIN logo features a stylized graphic of a building or structure in blue and red, with the words "SAINT-GOBAIN" in a bold, sans-serif font below it.

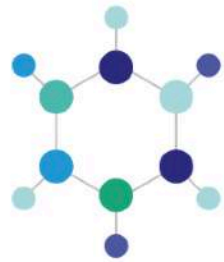
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The SARTORIUS logo features the word "SARTORIUS" in a bold, sans-serif font.

The Savillex logo features a stylized "S" in a blue and green color scheme, followed by the word "Savillex" in a bold, sans-serif font.

The ThermoFisher SCIENTIFIC logo features the words "ThermoFisher" in a bold, sans-serif font, with "SCIENTIFIC" in a smaller, sans-serif font below it.

Created in Cooperation With...



socma

SOLUTIONS FOR SPECIALTIES



U.S. International Development Finance Corporation

Investing in Development

Overview

Who We Are

U.S. International Development Finance Corporation (DFC) is the **U.S. Government's development finance institution**. DFC partners with the private sector to finance solutions to the **most critical challenges** facing the developing world today.



The BUILD Act



- Better Utilization of Investments Leading to Development (BUILD) Act
 - Established DFC in 2019
 - Combined the capabilities of Overseas Private Investment Corporation (OPIC) and USAID's Development Credit Authority
-

Understanding DFC's mandate

- **Development** is at the core of DFC's work
- The BUILD Act prioritizes meaningful investments in Lower-Income Countries (LICs) and Lower-Middle Income Countries (LMICs)
- DFC offers a **values-driven option** in development finance, rooted in transparency and high standards



Our Focus

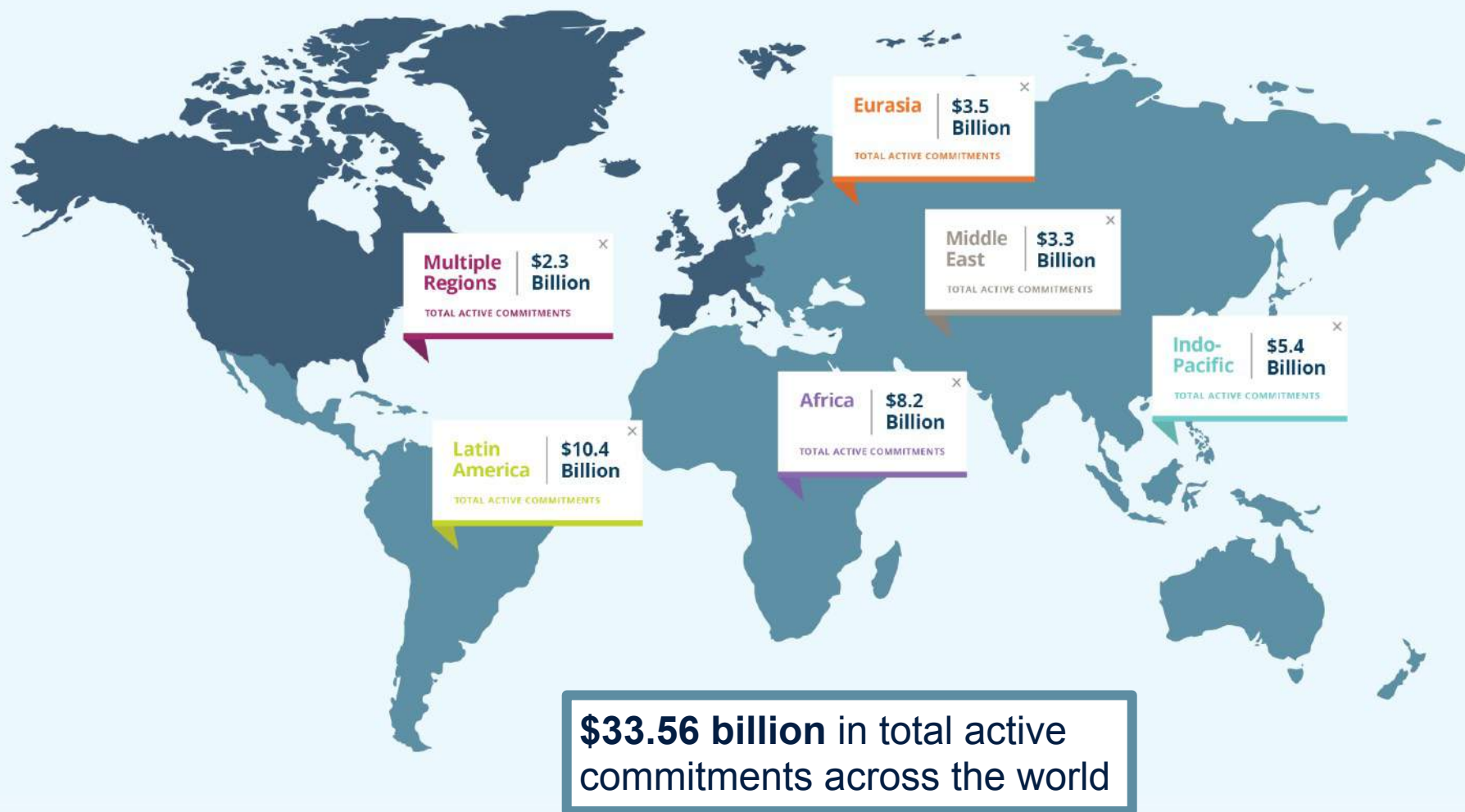


Development We mobilize private sector investment to advance development in emerging economies around the world.

Foreign Policy We serve as a critical tool of American foreign policy, mobilizing investment in regions of critical strategic importance.

Returns Our investments generate returns for American taxpayers.

Where We Work



DFC in the USG Context

How is DFC different from other USG agencies?



- **DFC**- USG's development finance institution, partnering with the private sector to complement not replace grant-based foreign aid
 - **USAID**- Grant-based foreign assistance, including humanitarian response
 - **MCC**- Focus on changing policy environments
 - **EX-IM**- Emphasis on promoting American exports
 - **USTDA**- Facilitates American exports and job creation in emerging markets
-

DFC Projects

What We Offer



Debt Financing

Direct loans and guaranties of up to \$1 billion for tenors as long as 25 years, with specific programs targeting small and medium U.S. businesses



Equity Investments

DFC direct equity investments can provide critical support to companies committed to creating developmental impact



Feasibility Studies

Support for the analysis of a potential DFC project



Investment Funds

Support for emerging markets private equity funds to help address the shortfall of investment capital



Political Risk Insurance

Coverage of up to \$1 billion against losses due to currency inconvertibility, government interference, and political violence including terrorism. DFC also offers reinsurance to increase underwriting capacity



Technical Assistance

Support to increase the developmental impact or commercial sustainability of existing DFC projects or develop potential DFC projects

Project Eligibility



Will my project
meaningfully involve
the **private sector**?



Will my project
uphold high
**social &
environmental
standards**?



Is DFC open in my
country of interest?



Does my project
fall within a
**prohibited
sector**?

Project Life Cycle

Sourcing

DFC conducts outreach in the U.S. and host countries to identify potential partners that could make use of DFC investment tools to achieve or expand a developmental impact in an emerging market.

Prescreening

Potential clients and their projects are prescreened based on the strength of the business plan, alignment with agency priorities and resources, and compliance with DFC's investment standards.

Application

Businesses and investors can complete the application on www.dfc.gov/ apply.

Due Diligence

DFC conducts a detailed assessment of the potential client's business plan, financial model, historical financial statements, expected project impact, legal compliance, and character risk.

Approval

The project is reviewed by DFC management, credit and investment committees for final approval. Loans and investment guarantees above \$50 million require approval from DFC's Board of Directors.

Project Close

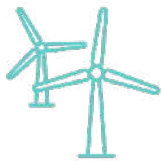
Transaction documentation is negotiated and executed. DFC can begin disbursing once the client has complied with the pre-disbursement requirements listed in the transaction documentation.

Monitoring

DFC monitors the credit, policy compliance, and developmental impact of all projects.

Policy Priorities

Investment Priorities



Climate

Help developing countries respond to climate change and expand access to clean and affordable energy by investing in renewable power generation and enabling technologies



Global Health

Respond to the COVID-19 pandemic by supporting vaccine manufacturing and distribution and COVID mitigation strategies, while strengthening healthcare infrastructure through investments in water, sanitation and hygiene (WASH), food security, and digital health



Gender Equity

Invest in projects that advance women's economic empowerment, while applying a gender lens to all investment decisions and expanding efforts to reach women from indigenous and marginalized communities



Internet, Connectivity, and Technology (ICT)

Expand internet access to underserved communities while investing in infrastructure to make internet more reliable and affordable, and supporting innovations such as telemedicine, fintech, and online learning



Inclusive Growth

Support projects that reduce extreme poverty and address income inequality while targeting investments to benefit people and communities most in need

Global Initiatives

- Build Back Better World (B3W)
- Key investments in COVID-19 vaccine production, including in Africa
- New 2X commitments to mobilize \$12B for women by the end of 2025



Aspen Pharmacare, South Africa

Overview: Aspen is a global pharmaceutical company headquartered in South Africa that recently signed an agreement with Johnson & Johnson for the technology transfer and manufacture of Johnson & Johnson's COVID-19 vaccine.

Project Description: €600,000,000 syndicated corporate finance loan from the US International Development Finance Corporation, International Finance Corporation (IFC), France's Proparco, and Germany's DEG will be to support the expansion of Aspen's pharmaceutical operations in emerging markets.

Impact:

- Manufacturing capacity of 300 million doses per year with additional room for expansion.
- Primary distribution to the African Union, South African Government, and COVAX.

Biological E. Limited, India

Overview: Biological E is a woman-led vaccine manufacturer in India working to increase vaccine production capacity and to produce at least 1 billion doses of COVID-19 vaccines by the end of 2022 for India and other countries, particularly in Southeast Asia.

Project Description: DFC \$50 million loan to support the buildout of manufacturing line dedicated to produce the Johnson & Johnson COVID-19 vaccine and needed working capital to scale up production.

Impact:

- Loan will increase Bio E's manufacturing ability to produce up to 400 million doses per year with flexibility to increase if needed.
- Project collaborators include Health and Human Services, State Department, and National Security Council

Potential Future Investments

Institut Pasteur Dakar, Senegal

Overview : Institut Pasteur de Dakar (IPD) is a vaccine manufacturer in Senegal that will focus on producing COVID-19 vaccines for Africa.

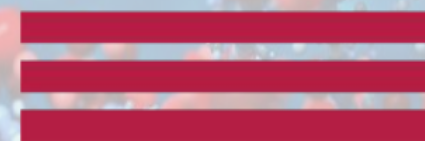
Project Description : DFC, IFC, EIB, and AFD committed to provide technical assistance that will help mobilize technical and financial resources from public and private entities to contribute to the development of IPD's vaccine manufacturing facility in Dakar, Senegal.

Impact:

- Facility will boost COVID-19 vaccinations on the African continent and contribute to long-term health and prosperity.
- Project collaborators include USAID, Health and Human Services, State Department, and National Security Council

The background of the slide features a complex, artistic representation of molecular structures. It includes various clusters of red, white, and blue spheres, some connected by thin lines, set against a vibrant blue background with light, ethereal patterns. The overall aesthetic is scientific and high-tech.

DFC



DPA Loan Program

David J. Vidal

Managing Director

*United States International Development
Finance Corporation*

Overview

America's Development Bank

DFC partners with the private sector to finance solutions to critical challenges facing the world.

Defense Production Act

Reducing U.S. reliance on foreign countries for critical industries and sectors.

COVID-19 Response

Loan proceeds for business acquisition, development, construction, equipment, operation facilities, and working capital.

DPA Program Benefits

Impact Based Investment

Finance domestic industrial production for COVID-19 projects and medical supply chains






USG Executive Partnership

Technical deal support from experts at HHS ASPR/BARDA/NIH

Commercial Process

The loan will take approximately 6-12 months to close

Program Priority Sectors

AREAS OF INTEREST		COMPANIES/PRODUCTS
Sector areas that can provide healthcare response to COVID-19, and other critical supply chain elements		Companies and products that were Identified by interagency partners.
	Priority Medicines	Essential medicines (generics, critical or non-critical care drugs)
	COVID-19	Vaccine-related (e.g., needles, syringes, vials, swabs, tubes, transfer media, pipettes)
	Industrial, Testing & PPE	Testing Supplies, POC Devices, PPE (e.g., masks, eye / face shields, gloves, gowns)
	mRNA/API/KSM	Life Science and Biological Companies
	Contracting Manufacturing & Development	Pharma CMOs and CDMOs

DFC Loan Terms



Loan Type: DFC Direct Loan

- Project Finance or Structured Finance



Use of Funds: Fixed Assets; Working Capital



Interest Rate: The interest rate will be determined on a project-by-project basis



Fees: fees will be determined on a project-by-project basis



Maximum Maturity: The maturity will be determined on a project-by-project basis taking into account the useful economic life of any assets financed, but no loan will have a maturity greater than 25 years.



Loan Sizes: No min or max



Loan Term Examples A&B

Company A	Biomedical technology designer with 10 years in business
Project	Working capital to acquire raw materials, inventory, and development cost to reach scale production of aCOVID-19 testing device
Eligibility	Production of parts to manufacture COVID-19 test
Project Cost	\$82,500,000
Loan Value	\$52,625,000
Equity Injection	\$28,875,000
Interest Rate	x.x% Fixed – Structure: 2-year interest only draw period, 10-year amortization, 8-year total tenor, (maximum maturity of 25 years)
Fees	x% at loan closing, x% annual facility fee
Collateral	First lien on all business assets excluding accounts receivable, inventory, and current leased equipment

Company B	Synthetic Biotech 3-year startup in business
Project	Working capital for equipment, and development produce API
Eligibility	Production of Rare Medicine
Project Cost	\$100,000,000
Loan Value	\$65,000,000
Equity Injection	\$35,000,000
Interest Rate	x.x% Fixed – Structure: 3-year interest only draw period, 10-year amortization, 10-year total tenor, (maximum maturity of 25 years)
Fees	x% at loan closing, x% annual facility fee
Collateral	First lien on all business assets including accounts receivable, inventory, and current leased equipment

DFC Announced Deals



apiject™

US\$590 million

DFC U.S. International
Development
Finance Corporation

Sole Arranger and Lender

DFC's loan to Apiject facilitates the production of prefilled injectors that can deliver almost all leading COVID-19 vaccine candidates with speed, scale, and efficiency.

 **GINKGO BIOWORKS™**
THE ORGANISM COMPANY

US\$1.1 billion

DFC U.S. International
Development
Finance Corporation

Sole Arranger and Lender

DFC's loan will aid global expansion of Ginkgo's commercial biosecurity business including mass production of key raw materials for COVID-19 vaccines and deployment of significant COVID-19 testing capacity.

Q&A

Contacts & Resources

Contact

**U.S. International Development
Finance Corporation (DFC)**

1100 New York Avenue, N.W.
Washington, D.C. 20527 USA

Resources

For more information,
visit www.dfc.gov.

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