

# Press release: CDC launch new strategy to boost long-term prosperity in Africa and South Asia

CDC – the UK’s and world’s oldest development finance institution – has today launched a new 5 year strategy that sets out how it will direct more investment into conflict and fragile states, drive innovation and improve its development impact and accountability.

The new strategy will ensure CDC can continue to make pioneering investments to create the jobs and opportunities needed to fight poverty in the hardest to reach places, and cement CDC at the heart of the UK’s work, promoting responsible, private investment to stimulate economic growth in the poorest countries.

In the last 3 years, businesses backed by CDC in Africa and South Asia have created over 3 million new jobs and generated over \$9 billion worth of local tax revenue, helping support improvements to public services like health and education.

The new 5 year strategy, which will be launched by CDC’s new CEO, Nick O’Donohoe, builds on recent successes and addresses important issues raised by previous independent audits, development NGOs and Parliament.

CDC will continue to focus on creating jobs in Africa and South Asia and within these regions, on fragile and conflict affected countries such as DRC and Sierra Leone. CDC is committed to maximising its development impact through new and innovative approaches that can transform whole sectors – for instance increasing access to affordable medicines and developing clean off-grid solar technology.

The strategy keeps job creation at its heart, but broadens CDC’s impact goals to include women’s economic empowerment and climate change.

The strategy also commits CDC to increased levels of reporting on investments and achievements, making more data available online, improving transparency and accountability.

International Development Minister Lord Bates said:

Creating jobs and boosting prosperity in the poorest countries is a hallmark of Global Britain, furthering our national interests by developing our trading partners of the future.

CDC uses its expertise to invest in growing businesses that can create more and better jobs, tackle poverty and reduce aid dependency. And this is fundamentally about people. By strengthening infrastructure, businesses and markets, CDC is

helping individuals find work so they can feed their families and send their children to school.

We have radically transformed CDC over the last 5 years to ensure their investments are targeted where they are needed most, and the new strategy reflects our shared ambitions for the organisation to have the greatest impact for the world's poorest and deliver value for money for UK taxpayers.

Developing country markets has huge potential to become the UK's trading partners of the future and to contribute to global prosperity. However, there is a currently a huge shortage of the investment needed to stimulate this growth.

The additional financing needed to achieve the UN Global Goals by 2030 is estimated at \$2.5 trillion every year, but current investment levels are less than half of that. CDC is pivotal in forging the path for future investment by demonstrating that it is possible to invest responsibly and successfully in the hardest –to-reach places, encouraging more much-needed private sector capital to flow into these countries.

CDC, which is wholly owned by the UK government, uses its skills and expertise to support over 1200 businesses in over 70 of the poorest countries.

Every penny of profit generated by CDC is reinvested – this makes every penny of UK taxpayers' money go even further.

Since 2012 all of CDC's investments have been focused in developing countries in Africa and Asia – where 80% of the world's poorest live – and where it can have the greatest impact for the world's poorest and deliver value for money for UK taxpayers.