

Press release: International Development Secretary sets out UK commitment to jobs and prosperity in the world's poorest countries

The International Development Secretary Priti Patel has today provided detail on how the UK will create millions of jobs and help accelerate the economic growth that can lift countries out of poverty, through a continued commitment to the UK's Development Finance Institution.

At the World Bank Annual Meetings in Washington, Ms Patel set out the next step in DFID's commitment to the growth of CDC, following the passing of the CDC Act earlier this year which increased the total limit of capital which the UK could invest in CDC. This capital increase will average up to £703 million per year for the next five years, enabling CDC to make pioneering investments that create millions of jobs in the hardest to reach markets.

CDC invests in the poorest and most fragile countries in Africa and South Asia. It introduces much-needed capital, expertise and support to thousands of businesses – including power stations, farms and factories – in 74 countries, creating millions of jobs, generating essential taxes, and strengthening transformational sectors such as infrastructure, manufacturing and agriculture.

Over the last 3 years companies backed by CDC in Africa and South Asia have created over 3 million new direct and indirect jobs, and paid taxes to national governments worth over \$9 billion. This new capital will enable CDC to build on these excellent development results, sustain the increased investment pace reached over the last 5 years, respond to growing demand from businesses, and achieve the ambitious development impact set out in their 5 year strategy.

CDC's successful investments demonstrate to private investors the opportunities that exist, even in the most difficult places. This leads the way for other investors to follow, mobilising capital from a much larger pool of private investors.

International Development Secretary Priti Patel said:

The international private sector must rise to the challenge of investing in and powering the growth that helps people to work and earn money, to transform economies and end aid dependency.

Advancing economic development in the world's poorest countries is a hallmark of a Global Britain and with this commitment to CDC the UK is leading by example, creating the vital jobs and economic

stability that enable countries to leave poverty behind and stand on their own two feet.

Capital invested in CDC is invested and reinvested time and again, to ensure that every penny of taxpayers' money is having maximum development impact.

As set out in the Department for International Development's Economic Development Strategy in January 2017, the UK is committed to supporting countries to defeat poverty and leave aid dependency behind through sustainable economic growth, jobs, trade and investment.

Notes to editors:

- CDC is wholly owned by the UK government. It is the UK's Development Finance Institution and a world leader in its field. It is central to the UK's approach to promoting inclusive growth and economic development in Africa and South Asia.
- This capital increase will be invested and drawn down gradually to meet market demand over a 5 year period from 2017-2021.
- In July 2017, CDC launched its new [5 year Strategic Framework \(2017-2021\)](#). The strategy was developed and agreed with DFID. It maintains CDC's focus on investing in the poorest and most fragile countries in Africa and South Asia, set out innovative approaches to maximise the transformational impact of CDC's investments and commits CDC to increased levels of transparency and reporting.
- The CDC Act 2017 enjoyed cross party support and received Royal Assent on 28 February 2017. It increased the cap on the cumulative level of financial support that DFID can provide to CDC by up to £4.5bn from £1.5bn to £6.0bn. [Further details on the CDC Act are available here.](#)