

German development finance institution to promote more investments in Africa

ACCRA, July 20 (Xinhua) -- A German government-owned development finance institution said here Friday that it would work hard to promote more investments in Africa. The institution, Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), told Xinhua that it has invested over 250 million euros (about 305 million U.S. dollars) in Africa since it was founded in 1962. "We operate in 30 countries of the continent and we are set to increase our investments in Ghana and in Africa as a whole," said Karl Weinfurter, DEG director for Africa. DEG finances, among others, a container terminal at the Port of Lome in Togo, a gas processing plant and an oil palm plantation in Cote d'Ivoire, a sugar factory in Sierra Leone, a cement project in Senegal and a cocoa processing plant in Ghana, according to the director. He also said that while others considered Africa as a risky investment destination, DEG saw in the continent a huge opportunity for investment. "Africa was the first continent we invested in, so an African subsidiary was created to invest here," Weinfurter said, after signing a 15 million-U.S.-dollar partnership agreement with Ghana's UT Bank. DEG has over 40 million euros (about 48.8 million dollars) of investments in Ghana alone, including the financing of a gas plant in the western port city of Takoradi, and the support for two other banks and a finance company, he said. Chairman of the UT Bank board Joseph Nsonamoah said the transaction between UT and DEG was the beginning of a unique strategic partnership. DEG is a subsidiary of German Kreditanstalt fuer Wiederaufbau (KfW), or the Reconstruction Credit Institute. It is also one of the largest European development finance institutions, which provides long-term capital and advice for enterprises investing in developing and transitional countries.