

CDC Dividend Policy

“As the sole or principal shareholder in the CDC Group please explain the dividend policy of that company.

In addition, what dividend has DFID or prior organisations received from this very profitable company?

What is the aim of DFID to deal with the excess cash and retained equity in the CDC Group?”

DFID holds information relevant to your request. However, some of this information is exempt from disclosure under Section 21(1) of the Freedom of Information Act 2000 as it is already accessible to you. The rules relating to the declaration and payment of dividends are set out in CDC’s Articles of Association (pages 49 to 53) which are available [here](#) on the GOV.UK website.

The last time CDC declared a dividend was in 2000. Since then, all receipts and profits from CDC investments have been recycled by CDC into new investment commitments.

With regard to the third part of your request, CDC is required to hold sufficient cash and liquidity to meet its future financial and legal obligations as they fall due. DFID monitors CDC’s liquidity to ensure that CDC is not holding excessive cash. The purpose of the equity that DFID has invested in CDC is to enable CDC to conduct and to scale-up its investment activities in pursuit of CDC’s mission, which is to support economic growth across Africa and South Asia through providing support for private sector development and the building of businesses to create jobs.