
Working with the International Finance Corporation

Overview

The International Financial Corporation (IFC) was established as a member of the World Bank Group in 1956. Although the IFC shares the same mandate as its sister institutions, it endeavors to improve living standards in developing countries by promoting private sector growth via mobilization of private investment.

The IFC has now grown into the largest multilateral source of loan and equity financing in the world. Because its goal is the establishment of an efficient and competitive private sector in its member countries, it operates on a commercial basis and shares all risks with its partners. It does not accept government guarantees and prices its financing and services in line with the market. As only successful enterprises contribute to economic development, the IFC seeks to ensure that the projects it supports are profitable for investors while benefiting the economy of the host country.

Since its foundation, the IFC has provided more than US\$ 14 billion in financing for 1,290 companies in 109 developing countries. It has also played an important catalytic role in stimulating private investment in the developing world by demonstrating that investments there can be profitable. Its capital market activities in particular have had a far-reaching impact on developing countries' ability to mobilize foreign capital and domestic savings for investment. The IFC has also played a leadership role in some of the economies in transition, designing and implementing privatization programs that are being used as models. The adoption of market-based policies by many developing countries has led to a greater role for the IFC in the development process.

IFC Project Finance

The IFC offers a wide of variety of financial products and services to companies in developing countries:

- (1) Long-term loans in major currencies, at fixed or variable rates;