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# IFC and MIGA Operations

## Introduction

1995 saw the International Finance Corporation (IFC) continue to be dynamic in the Central Asia, Middle East and North Africa region. This region has begun to reap the benefits of economic reform and, apart from the former centrally-planned economies, GDP has been growing at a healthy pace. In the last year alone, the IFC has approved investments in 34 projects in 9 different countries in the region, in addition to three multi-national projects. This marks a healthy increase over fiscal year 1994 and is testimony to the IFC's commitment to the region.

The IFC's principal goal is to help the region address some of its principal difficulties, such as underdeveloped financial markets, inadequate infrastructure, large and inefficient public sectors and the private sector's lack of access to term finance. The Corporation finances projects that will help the region develop more efficient capital markets, particularly in the Central Asian countries. It also gives priority to privately financed projects that will improve infrastructure. The IFC's other priorities for the region include projects that foster growth and production in natural resources and manufacturing, as well as providing technical advice on privatizing public enterprises and reforming the legal and regulatory framework.

The IFC has proven to be very dynamic and creative in assisting the region. For example, the IFC created an Islamic financial instrument that enables it to syndicate large funds from financial institutions in the Gulf Cooperation Council. Another example is the IFC's role in financing Tunisia's first Private Equity Fund that improves private companies' access to equity finance. The Corporation also helped launch the first Middle Eastern fund to be publicly offered and listed on the New York Stock Exchange. The IFC furthermore collaborated with the Arab Rating Fund to create the InterArab Rating Company.

A significant achievement of the IFC in 1995 in the region was the amount of syndications it placed, totalling US\$327 million, of which US\$100 million was for its own account. One of the IFC's most important priorities for 1995 was opening the region's infrastructure sector to private capital, and the Corporation has actively counselled countries on the