

## **International Finance Institutions sign Agreement to facilitate cooperation**

**Istanbul, Turkey, October 5, 2009** – Four International Finance Institutions (IFIs) announced today that they have agreed to streamline the process for providing loans in developing countries, where projects face a financing shortfall because of the global economic crisis.

The Master Cooperation Agreement, signed by France's Proparco, Germany's DEG, The Netherlands' FMO, and World Bank group member, IFC, standardizes the steps the lenders take when joining IFC to co-finance projects. This will minimize duplication, reduce the overall cost of providing the loan and shorten the time it takes to conclude the deal.

[“This will allow IFC and its partners to get funding to where it is needed in developing countries more quickly, helping bridge a financing gap brought on by the global finance crisis,” Lars Thunell, IFC's Executive Vice-President, said. ]

The global economic crisis diminished commercial banks' appetite for lending to projects in emerging markets. To help meet the new financing needs, IFC developed a way to assist clients get financing from International Finance Institutions (IFIs) more quickly, through the syndication of parallel loans under the Master Cooperation Agreement. The agreement will help lenders process deals more efficiently by having them cooperate to use IFC's existing syndication platform, deal-structuring expertise and global presence to identify investments, perform due diligence, and negotiate loan documents.

In fiscal year 2009, international finance institutions accounted for 17 percent of the \$2.2 billion IFC mobilized through loan syndications. IFC has raised \$ [195] million in commitments through syndicated parallel loans for [5] projects in emerging markets since beginning the new program in June.

### **About DEG**

DEG, Deutsche Investitions- und Entwicklungsgesellschaft mbH, a member of KfW Bankengruppe (KfW banking group), finances investments of private companies in developing and transition countries. As one of Europe's largest development finance institutions, it promotes private business structures to contribute to sustainable economic growth and improved living conditions.

## **About Proparco**

Created in 1977, PROPARCO is a Development Financial Institution partly held by Agence Française de Développement (AFD) and private shareholders from the North and South. Its mission is to be a catalyst for private investment in developing countries which targets growth, sustainable development and reaching the Millennium Development Goals (MDGs).

## **About FMO**

The Netherlands Development Finance Company (FMO) is the international development bank of the Netherlands. FMO invests risk capital in companies and financial institutions in developing countries. With an investment portfolio of € 4.2 billion, FMO is one of the largest bilateral private sector development banks worldwide. Thanks in part to its relationship with the Dutch government, FMO is able to take risks which commercial financiers are not - or not yet - prepared to take. FMO's mission: to create flourishing enterprises, which can serve as engines of sustainable growth in their countries?

## **About IFC**

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. We foster sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. Our new investments totaled \$14.5 billion in fiscal 2009, helping channel capital into developing countries during the financial crisis. For more information, visit [www.ifc.org](http://www.ifc.org).