
WB IFC to invest USD 200 million in mining

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International Finance Corp, the World Bank Group's private sector lending arm, expects to double mining investments to about USD 100 million in its current fiscal year as commercial lenders curb loans.

Mr Bill Bulmer global head of mining at Washington-based IFC said that "We have taken an opportunity with this market crash to make more investments." He said that the target applies to the fiscal year ending this month and IFC is considering 15 mining projects for the next year.

Mr Bulmer said that the global recession, the first since World War II, has forced producers including Rio Tinto to seek financing after commodities plunged. While IFC typically would cooperate with more than 20 banks to fund mining companies two years ago, that number has now dwindled to five or six.

He said that "In fact, most of our attention over the past six months has been on how we can work with other development institutions to mobilize money, given the lack of appetite in the commercial banking sector."

Mr Bulmer said that IFC's mining portfolio is worth about USD 840 million.

(Sourced from Bloomberg)

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