

**In Cairo:**

Sara Aggour

Phone: +202 2461 4331

E-mail: [saggour@ifc.org](mailto:saggour@ifc.org)

**IFC Arranges a Landmark Financing Package to Help Finance a New Terminal at Iraq's largest Port**

**Baghdad, Iraq, December 14, 2021**—IFC has spearheaded a landmark financing package for a modern shipping terminal in the Umm Qasr Port in Basra, Iraq's largest port. The new terminal is expected to significantly reduce vessel turnaround times, helping to boost trade, enhance the country's connectivity to global markets, and drive economic growth.

The \$125 million financing package to Basra Multipurpose Terminal ("BMT"), at Basra's Umm Qasr Port, the country's only deep-water port, is one of the largest non-energy-related foreign direct investments in Iraq to date. Umm Qasr serves as the main entry point into Iraq and is vital to sustaining its development and imports, as the country rebuilds itself after years of conflict.

The financing will help BMT develop a new and efficient container terminal, including two new berths and state-of-the-art equipment, and increase its handling capacity—particularly for larger vessels—to alleviate current bottlenecks and improve operational efficiencies.

The financing package comprises a senior loan of \$46 million from IFC; mobilization of a \$39 million loan from the IFC-run Managed Co-Lending Portfolio Program, which is a syndication platform; and a \$40 million parallel loan from the Japan International Cooperation Agency (JICA).

"Over the past several years, JICA has comprehensively supported the Iraqi port sector," said Shohei Hara, Director General of JICA's Private Sector Partnership and Finance Department. "Financing this new terminal at Iraq's main port will help boost trade and imports and drive economic growth."

The project is part of the World Bank Group efforts to diversify the Iraqi economy and reduce its dependence on state-run businesses and petrochemicals. It will also help strengthen vital infrastructure. As the country's rebuilding efforts continue, demand for containerized goods and raw materials is expected to increase, with the ports sector set to play a key role in boosting trade and integrating Iraq's market with worldwide supply chains.

"Iraq's infrastructure needs are immense and growing," said Abdullah Jefri, IFC's Country Manager for the Levant region. "Only through the private sector can Iraq meet these needs, make its economy more competitive, and achieve long-term sustainable growth to increase shared prosperity for all."

IFC has been participating in the modernization of the Umm Qasr Port for more than a decade. It financed earlier expansions by GulfTainer, another terminal operator, in 2010 and helped modernize truck access at the port through an equity investment in Nafith Logistics in 2014.

## **About IFC**

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In the fiscal year 2021, IFC committed a record \$31.5 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of the COVID-19 pandemic. For more information, visit [www.ifc.org](http://www.ifc.org).

## **Stay Connected**

[www.facebook.com/IFCmena](http://www.facebook.com/IFCmena)

[www.twitter.com/IFC\\_mena](http://www.twitter.com/IFC_mena)

[www.youtube.com/IFCvideocasts](http://www.youtube.com/IFCvideocasts)

[www.ifc.org/SocialMediaIndex](http://www.ifc.org/SocialMediaIndex)