



## IFC INVESTS IN A FINANCING COMPANY THAT WILL FUND MEDICAL EQUIPMENT IN LATIN AMERICA – MSF Holding Limite

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WASHINGTON, D.C., May 1, 1998—The International Finance Corporation has invested in MSF Holding Limited, a financial company dedicated to leasing diagnostic and treatment equipment in Latin America.

The project will provide cross-border lease and loan financing to private hospitals, clinics, and physician groups throughout Latin America, enabling the beneficiaries to purchase high-tech diagnostic imaging and radiation therapy equipment. The project will help improve the quality and cost-efficiency of health care and contribute to the economic development of the region. It will also increase access to high-tech treatments for people who depend on public insurance programs or facilities. Although initially the venture will focus on Brazil, Argentina, and Colombia, its reach will expand into Mexico and the rest of Latin America.

IFC is providing a loan of up to US\$15 million for its own account and a loan of up to US\$25 million for the account of participant banks as co-borrowers. The Corporation is also making an equity investment in the company of up to US\$2 million for up to 12.5 percent of the initial voting capital of MSF. DVI, a leading US medical equipment financing company is the principal sponsor in the joint venture. FMO, the Netherlands Development Finance Institution and Philadelphia International Equities Inc., a subsidiary of First Union Corporation are the other investors.

IFC played a key role in structuring this start-up specialized financial institution. With its expertise in structured finance, IFC has helped MSF develop effective mechanisms to secure assets in the target countries, a critical factor in enabling the company to access local and international funding. It will also help to mobilize additional private capital into the health care sector and facilitate greater private sector involvement in health care delivery.

The project is part of IFC's strategy to promote greater private sector involvement in health care in Latin America and throughout the world. IFC, part of the World Bank Group, fosters economic growth in the developing world by financing private sector investment mobilizing capital in the international financial markets and providing technical assistance and advice to governments and businesses.



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