Early Warning System

FMO-50192

GUARANTCO LTD.

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Quick Facts

Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2016-12-14
Borrower	GuarantCo ltd (GCO)
Sectors	Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million

Project Description

According to FMO website, credit guarantee schemes are widely acknowledged to be one of the most market-friendly solutions to help overcome major barriers to credit for (infrastructure) projects and businesses in emerging markets. The guarantees essentially function (i) as credit enhancements in order to facilitate investments, (ii) stimulate local capital markets development and investments by a.o. local FIs and IFIs, and (iii) reduce project risk by eliminating the FX risk. GuarantCo has a solid pipeline of projects thereby anticipating to grow the guarantee portfolio strongly the coming 5 years. Overall GCO will be much better positioned to pursue growth with continued FMO involvement. GCO is still perceived to be a relative newcomer in its markets (external ratings for <2yrs) and as such local lenders as well as the external rating agencies take great comfort from the FMO involvement and brand name.

Investment Description

- Netherlands Development Finance Company (FMO)

Contact Information

No contact information provided at the time of disclosure.

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism