Early Warning System

IFC-38086

GTLP UniCredit

Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	C
Voting Date	2016-05-27
Borrower	UNICREDIT SPA
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 250.00 million
Project Cost (USD)	$ 500.00 million

Project Description

According to IFC website, the project falls under the Global Trade Liquidity Program, an innovative and well received trade finance program launched by the International Finance Corporation in 2009. GTLP provides liquidity or guarantees to global or regional banks with large financial institution networks. Through GTLP, banks are able to grow their credit limits, manage risk, and support trade in the emerging markets.

The project involves establishing a funded risk sharing facility with UniCredit SpA for up to US$500 million to share the risk on a portfolio of emerging market issuing banks.

People Affected By This Project

The Facility is expected to have the following development impacts:
- Increased access to finance: The project will increase access to finance for the Emerging Market importers and exporters. Improved availability of credit is expected to benefit local enterprises (producers and importers, including SMEs) along the value chain and therefore support growth, sustain employment, and encourage the generation of higher incomes.
- Strong demonstration effect through partnership with a major international bank and by mobilizing other program participants to support trade finance, the Project will have a strong demonstration effect by encouraging greater local/regional bank participation in EM trade finance thereby increasing access to finance for local importers and exporters.

Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- UniCredit S.p.A (Financial Intermediary)

Private Actors Description

UniCredit is the largest banking group in Italy, established in October 1998 through the merger of Credito Italiano and Unicredito SpA followed by a series of acquisitions. The Bank adopted its current name in January 2008. The Bank operates across a wide range of sectors including retail and small business, corporate and investment banking, asset management, insurance and trading and private banking. With operations in 17 countries, 7,934 branches, and 144,000 employees the Bank is a competitive global bank, leading markets in Central and Eastern Europe.

As of December 31 2015, the Bank had total assets of EUR860.4 billion, and total equity of EUR50 billion. UniCredit is listed on Borsa Italiana and has a market capital of EUR 22.4 billion. The two major shareholders of UniCredit are Aabar Luxembourg S.A.R.L. Fondazione Cassa di Risparmio Verona, Vicenza, Belluno e Ancona with a 5.039% and 3.460% stake in the Bank respectively. All other shareholders own less than 5.0% in the Bank. UniCredit is rated BBB- by S&P and Baa1 by Moody’s.

Contact Information

Project Contact: Antonio Ebale
Senior Manager, Head of Trade Risk Management & Forfaiting Italy
Global Transaction Banking, Unicredit S.p.A.
Office Address: Piazza Gae Aulenti, UniCredit Tower – Torre B - Piano 6, 20154 Milan, Italy

Email Address:Antonio.Ebale@unicredit.eu

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

Campaign Documents

- Business and Human Rights Resource Center: UniCredit