Early Warning System

IFC-39175

MCPP AXA

Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	Emerging Markets Infrastructure Loans S.A.R.L, AXA Group
Sectors	Finance, Infrastructure
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 500.00 million

Project Description

According to IFC website, as part of its strategic focus on mobilizing third party capital for infrastructure investment in emerging markets, IFC is proposing to support the development of an infrastructure debt platform (the “vehicle”) that will invest in senior loans in infrastructure projects alongside IFC. IFC will provide support to the vehicle in the form of an unfunded portfolio guarantee, which will enable third party investors to consider this asset class.

The expected development impacts are:
1. Given that the vehicle will co - invest with IFC (on the same terms and conditions) the proposed investment will support private sector development by increasing access to long term debt capital for infrastructure projects across emerging markets from an asset pool (i.e. institutional investors located in OECD countries) that has yet to venture in significant scale into infrastructure investments in emerging markets.
2. Under MCPP investors approve funding in projects much earlier than traditional co-lenders, providing IFC's clients with greater certainty of finance and reducing their transaction costs during the project development phase, allowing for a faster process to financial close.
3. The vehicle is directly leveraging IFC's own economic capital allowing IFC to participate in larger transactions.

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.

- AXA SA (Financial Intermediary)

Private Actors Description

AXA SA, through its subsidiaries, provides insurance and asset management services worldwide. It operates through six segments: France, Europe, Asia, the United States, International, and Transversal and Central Holdings.

Contact Information

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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/