Early Warning System

IFC-46718

M-Bank Loan

Early Warning System
M-Bank Loan

IFC-46718

Quick Facts

Countries	Mongolia
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-03-25
Borrower	MBank CJSC
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 30.00 million

Project Description

According to the Bank’s website, the proposed investment consists of a 3-year US$30 million syndicated senior loan facility to MBank Closed JSC, comprised of (i) an up to US$16 million A Loan, (ii) an up to US$8 million syndicated loan, and iii) a Trust Loan of up to US$6 million from IFC acting in its capacity as implementing entity for the Managed Co-Lending Portfolio Program (MCPP). The US$30 million facility will be committed in two tranches on a pro-rata basis between A Loan and syndicated loans.The Project aims to support the Bank’s MSMEs portfolio, with at least 25% of the loan proceeds expected to support women-owned SMEs.

Alongside the financing package, IFC will provide advisory services to enhance MBank’s SME strategy, as well as design supply chain finance products.

Early Warning System Project Analysis

As stated by the IFC, the activities to be supported by the project are expected to have moderate E&S risk, and the project has been categorized as a Category FI-2 project according to the IFC Sustainability Policy.

Investment Description

- International Finance Corporation (IFC)

An investment of up to US$30 million syndicated senior loan facility for which IFC’s own account is to the tune of US$16 million and up to US$14 million syndicated loans to MBank.

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.

- MBank Closed JSC (Financial Intermediary)

Private Actors Description

As stated by the IFC, MBank is a commercial bank in Mongolia, operating under a commercial banking license since 2022, and provides financial services mainly to MSMEs and retail clients. MBank is indirectly and wholly owned by MCS Mongolia LLC (“MCS Group”), one of the largest conglomerates in the country.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	MCS Group	Parent Company	-

Contact Information

Financial Intermediary - MBank Closed JSC:

Turbold Enkhtuvshin - Chief Financial Officer
Phone: +976-88882563
Email: turbold.e@m-bank.mn
Address: Central Tower 15th Floor, 8th Khoroo, Sukhbaatar District, Ulaanbaatar 14200, Mongolia
Website: https://m-bank.mn/

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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