

 Early Warning System

IFC-49396

DCM MTC Bond



Quick Facts

Countries	Thailand
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	C
Voting Date	2024-06-10
Borrower	Muangthai Capital Public Company Limited
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 150.00 million



Project Description

According to the Bank's website, the Project entails an IFC's investment of up to US\$150 million to be committed in tranches, the first of which will be a privately placed social bond of up to US\$50 million (the Social Bond) issued by Muangthai Capital Public Company Limited (MTC), a leading publicly listed non-bank financial institution (NBFI) in Thailand, to support MTC expand its lending program to women micro-entrepreneurs, which helps ease social issues such as inequality, employment, and particularly access to finance for the base of the pyramid population in Thailand. The proposed social bonds will follow the Social Bond Principles of the International Capital Market Association (ICMA). The Social Bond proceeds will be earmarked to women microentrepreneurs in Thailand.



Early Warning System Project Analysis

The project presents limited to no environmental and social (E&S) risks and impacts and is categorized as Category FI-3 in accordance with IFC's Environmental and Social Sustainability Policy. The proceeds will not be used to support coal-related activities or higher risk business activities that may include involuntary resettlement (including physical and economic displacement), risk of adverse impacts on Indigenous People, significant risks to or impacts on the environment, community health and safety, biodiversity or cultural heritage, risk of significant retrenchment or significant occupational health and safety risks to employees. Applicable performance requirements will include IFC Exclusion List and national E&S laws and regulations.



Investment Description

- International Finance Corporation (IFC)

The proposed investment entails an investment of up to US\$150 million senior debt financing to MTC to be committed in tranches, the first of which will be a privately placed social bond of up to US\$50 million. The investment will be complemented by a capacity building program to support MTC's sustainable growth strategy.

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.

- [Muangthai Capital Public Company Limited](#) (Financial Intermediary)



Private Actors Description

Muangthai Capital Public Company Limited - MTC is a leading title loan provider in Thailand, with the largest loan portfolio, customer base, and branch network nationwide. Mr. Chuchat Petaumpai and Mrs. Daonapa Petampai are the major shareholders of MTC and hold 33.96% and 33.49% with a combined stake of approximately 70%. Also, Thai NDVR Company, 100% owned by the Stock Exchange of Thailand (SET) holds a 7.67% stake in MTC. The remaining shareholding of 24.88% is held by retail and institutional investors.



Contact Information

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<https://investor.muangthaicap.com/en/company-info/mtc-overview>

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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>