Early Warning System

MIGA-10592

ProCredit Group Central Bank Mandatory Reserves Coverage

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Quick Facts

Countries	El Salvador
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Canceled
Bank Risk Rating	U
Voting Date	2011-12-01
Borrower	ProCredit Holding AG & Co. KGaA
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 22.80 million

Project Description

On December 22, 2011, MIGA issued a guarantee of $22.8 million to cover an investment by ProCredit Holding AG & Co. KGaA in its subsidiary in El Salvador. The coverage is for a period of up to 10 years against the risk of expropriation of funds for mandatory reserves held by the subsidiary in the central bank of its jurisdiction.

The ProCredit group is a provider of finance to some 750,000 very small, small, and medium enterprises in Latin America, Eastern and Central Europe, and Africa. Throughout the world, banks are required to maintain mandatory reserves with the central banks of their respective jurisdictions.

MIGA's support will allow ProCredit Holding AG & Co. KGaA to direct equity to subsidiaries with the greatest need. The additional services these banks will be able to offer will help stimulate growth, generate employment, and reduce poverty.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	ProCredit Holding AG & Co. KGaA	Client	-

Contact Information

No contact information provided at the time of disclosure.

ACCOUNTABILITY MECHANISM OF 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/