

Early Warning System

MIGA-1404

Co-operative Bank Ltd.

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Quick Facts

Countries	Myanmar
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	U
Voting Date	2015-06-01
Borrower	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 14.30 million

Project Description

The Bank of Tokyo-Mitsubishi UFJ, Ltd.(BTMU) of Japan has applied for a MIGA guarantee of up to $14.3 million for a period of up to six years against the risks of transfer restriction, expropriation, and war and civil disturbance. The non-shareholder loan being provided by BTMU will finance the expansion of CB Bank in Myanmar. BTMU entered into strategic alliance with CB Bank in December 2012 and will provide the loan to increase lending to small and medium enterprises SMEs

This project involves MIGA coverage of a non-shareholder to CB Bank to be used for onlending to SME clients. CB Bank's portfolio is largely short-term corporate loan and short-term exposure to SMEs mainly in trade and wholesale (over 70 percent). The environmental and social risks and impacts associated with the portfolio are considered few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures. The project is a category FI-2 under MIGA's Policy on Environmental and Social Sustainability. CB Bank will be required to screen projects against MIGA's Exclusion List, national environmental and social laws and regulations, and MIGA's Performance Standards for corporate portfolio.

Investor Country: Japan

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

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.

- Bank Of Tokyo-Mitsubishi Ltd.,Singapore Branch (Financial Intermediary)

Private Actors Description

MUFG Bank, Ltd. (The Bank of Tokyo-Mitsubishi UFJ or BTMU) is the largest bank in Japan and key operating bank of Mitsubishi UFJ Financial Group, one of the world's largest and most diversified financial groups. BTMU's services include commercial banking, trust banking, securities, credit cards, consumer finance, asset management, leasing and many more fields of financial services.

Co-operative Bank Ltd. (CB Bank) currently operates 76 branches and has plans to expand to 200 branches nationwide within the next three to five years in Myanmar.

Contact Information

GUARANTEE HOLDER

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

2nd Floor, Union Financial Centre, Corner of Maharbandoola Road and Thein Phyu Road, Bohtataung Township, Yangon, Republic of the Union of Myanmar

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IMPLEMENTOR

Co-operative Bank Ltd.

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No. (46) , UFC (Union Financial Center - Tower A & B), Corner of MahaBandoola Road & Thein Phyu Road,
Botahtaung Township, Yangon, Myanmar.

Phone : (95-1) 231 7999 (Weekdays: 9:30am to 4:30pm)

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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/

Campaign Documents

- Business and Human Rights Resource Center: Bank of Tokyo-Mitsubishi UFJ (part of Mitsubishi UFJ)