Early Warning System

MIGA-14646

Caja de Ahorros Panama - COVID-19 Response

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Quick Facts

Countries	Panama
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	U
Voting Date	2020-05-20
Borrower	Caja de Ahorros
Sectors	Education and Health, Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 190.00 million
Project Cost (USD)	$ 190.00 million

Project Description

According to bank documents, MIGA is considering issuing a guarantee of up to US$190 million for a period of up to 10 years against the risk of Non-Honoring of a Financial Obligation by a State-owned Enterprise (NHFO-SOE).

In the absence of a central bank, Panama's two state-owned banks, Caja de Ahorros and Banco Nacional de Panama, expect to provide liquidity to companies and other financial institutions to help the economy weather and rebuild from the COVID-19 crisis.Specifically, the proposed Loan Facility would allow Caja de Ahorros to provide (i) working capital loans to financial institutions, micro, small and medium enterprises, and corporations to keep businesses operating during the acute phase of the crisis; and (ii) once the acute phase is over, working capital loans to sustain businesses until they are fully recovered.

MIGA has given this project a risk category of FI-2.

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.

- Caja de Ahorros (Financial Intermediary)

Private Actors Description

According to MIGA, Caja de Ahorros is a wholly-owned financial institution of the Government of Panama

Contact Information

Project contacts not 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/