

 Early Warning System

MIGA-14662

Eastern and Southern African Trade and Development Bank - Non-Honoring of Financial Obligations - Regional Development Bank



Quick Facts

Countries	Burundi, Comoros, Congo, Democratic Republic of, Djibouti, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Madagascar, Malawi, Mauritania, Mozambique, Rwanda, Seychelles, Somalia, South Sudan, Sudan, Tanzania, Uganda, Zambia, Zimbabwe
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	FI
Voting Date	2020-06-18
Borrower	Standard Chartered Bank (as agent, on behalf of itself and other commercial banks to be identified)
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 411.46 million



Project Description

BURUNDI, COMOROS, DEMOCRATIC REPUBLIC OF CONGO, DJIBOUTI, EGYPT, ERITREA, ESWATINI, ETHIOPIA, KENYA, MADAGASCAR, MALAWI, MAURITIUS, MOZAMBIQUE, RWANDA, SEYCHELLES, SOMALIA, SOUTH SUDAN, SUDAN, TANZANIA, UGANDA, ZAMBIA, AND ZIMBABWE

According to bank provided information, this summary describes non-shareholder loan investments by a syndicate of commercial banks (including Standard Chartered Bank, as agent, on behalf of itself and other commercial banks to be identified, together the "Lenders") to the Eastern and Southern African Trade and Development Bank ("TDB"), formerly known as PTA Bank, with a principal office in Mauritius (dual-domiciled in Burundi, with the operational hub in Kenya). Standard Chartered Bank (as agent, on behalf of itself and the Lenders) has applied for a MIGA guarantee of up to EUR 377 million of principal plus interest and premium, for a period up to 10 years against the risk of non-honoring of financial obligations by a regional development bank ("NHFO-RDB").

TDB is a regional development bank operating in the Tripartite Free Trade Area ("TFTA") comprising the Common Market for Eastern and Southern Africa ("COMESA"), the East African Community ("EAC") and the Southern African Development Community ("SADC"), providing trade and project finance solutions to private and public borrowers. TDB aims to foster economic integration in the region through support of trade, infrastructure development, and private sector growth. TDB also supports national development agencies by co-financing their projects.

Under this proposed project, the Lenders will extend a loan facility denominated in Euros to TDB to support the growth and diversification of TDB's trade finance portfolio (the "Project"). The facility is expected to include EUR 50 million specifically earmarked for COVID-19 response.



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.

- [Standard Chartered Bank](#) (Financial Intermediary)



Contact Information

Contact information 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/>