Early Warning System

MIGA-15270

Standard Chartered Trade Finance Facility

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Quick Facts

Countries	Senegal
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	U
Voting Date	2024-02-22
Borrower	Standard Chartered Bank, Government of Senegal
Sectors	Agriculture and Forestry, Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 206.69 million
Project Cost (USD)	$ 206.69 million

Project Description

As stated by the MIGA, this summary covers an application by Standard Chartered Bank ("SCB") for up to EUR[190] million in guarantee coverage for a short-term loan facility, focused on supporting trade, to the Government of Republic of Senegal ("GoS", through the Ministry of Finance and Budget), for a tenor of up to one year, with the option to be rolled over at the approval of SCB and MIGA.

The MIGA-covered facility would be used to provide short term loans for trade-related payments, aimed at mainly supporting the agriculture sector.

The Project will help the GoS unlock trade finance liquidity support for the local agriculture sector, at a time when there are significant liquidity constraints in the trade finance market due to current economic conditions. Therefore, the Project will provide increased access to trade finance for the agriculture sector which is a key priority under the GoS's national strategy (Plan Senegal Emergent, PSE). The Project is also expected to support the overall market financial stability by reducing the liquidity constraints of the local intermediaries for the agriculture sector.

The Project fully aligns with the World Bank Group Country Partnership Framework for Senegal (FY20-FY24) and with the GoS's Emerging Senegal Plan 2035 that aims to promote sustainable and productive agriculture.

Early Warning System Project Analysis

According to the MIGA, the covered facility will support short-term trade transactions. These transactions pose minimal environmental and social (E&S) risks and impacts and as such, the project has been categorized as 'FI-3' in accordance with MIGA's Policy on Environmental and Social Sustainability (2013).

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)

Private Actors Description

As stated by Bloomberg, Standard Chartered Bank operates as a bank. The Bank provides savings account, loans, mortgages, credit cards, insurance, and investment services. Standard Chartered serves customers worldwide.

Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - Standard Chartered Bank:

Address (HQ): Standard Chartered Bank, 1 Basinghall Avenue, London, EC2V 5DD
Phone: +44 (0)20 7885 8888
Website: https://www.sc.com/

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

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