Early Warning System

MIGA-3522

UniCredit Group MR Coverage (UniCredit Bank d.d.)

Early Warning System

UniCredit Group MR Coverage (UniCredit Bank d.d.)

MIGA-3522

Quick Facts

Countries	Bosnia and Herzegovina
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Hold
Bank Risk Rating	U
Voting Date	2016-12-16
Borrower	UniCredit Bank AG/ UniCredit S.p.A.
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 198.60 million

Project Description

According to MIGA website, on December 29, 2016, MIGA issued a guarantee of $198.6 million covering the equity investments by UniCredit Bank AG's (UBA) of Austria and UniCredit S.p.A.'s of Italy for their equity investment in UniCredit Bank d.d. in Bosnia and Herzegovina. The $198.6 million MIGA guarantee will cover the equity investments for a period of up to 10 years against the risk of expropriation of funds.

It will help UCG obtain relief from the capital adequacy requirements by reducing the risk weighting for the reserves maintained by UCG's subsidiary in Bosnia and Herzegovina. This will free up equity tied up for country risk purposes and allow UCG's subsidiary to extend more credit that will stimulate growth, generate employment, and reduce poverty in the country.

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.

- UniCredit Bank d.d. (Financial Intermediary)

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/