Early Warning System

MIGA-15659

Santander Colombia Capital Optimization

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Quick Facts

Countries	Colombia
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	U
Borrower	Banco Santander,S.A.
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 100.00 million
Project Cost (USD)	$ 100.00 million

Project Description

According to MIGA, this summary covers equity investments by Banco Santander, S.A. (Santander or the Group), in its subsidiary in the Republic of Colombia, Banco Santander Colombia S.A. (Santander Colombia or the Subsidiary). The investor has applied for a MIGA guarantee of up to USD 100 million for capital optimization covering the risk of expropriation of the Subsidiary's mandatory reserves held at the Central Bank of Colombia for a period of up to 3 years (the Project).

Spain-based Banco Santander is one of the largest global financial institutions in the world in terms of market capitalization with retail and commercial operations in countries across Europe, Latin America, and North America. Its subsidiary banks abroad are required to maintain reserves at the central banks in their respective jurisdictions, based on the volume of customer deposits that these subsidiaries have. Mandatory reserves contribute to Santander's overall risk-weighted assets (RWA) at the consolidated level, resulting in less headroom for other assets at a given level of capital.

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.

- Banco Santander SA (Financial Intermediary)

Contact Information

No contacts available at the time of disclosure

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