Early Warning System

IFC-40665

DARP SPV CW2

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Quick Facts

Countries	China, India, Indonesia, Philippines, Thailand, Vietnam
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2018-03-23
Borrower	DARP SPV CLEARWATER 2 (TBD)
Sectors	Finance
Ring Fence	No Restrictions
Investment Type(s)	Loan
Investment Amount (USD)	$ 75.00 million
Loan Amount (USD)	$ 75.00 million

Project Description

According to the bank website, this project consists of an IFC investment, under IFC Distressed Asset Recovery Program (DARP), of up to US$75 million to invest in distressed and special situations assets of companies operating in emerging markets in Asia including China, India, Indonesia, Philippines, Thailand, and Vietnam. For this purpose, IFC will co-invest with a fifth-generation fund formed by Clearwater Capital Partners in a special purpose vehicle dedicated exclusively to such distressed and special situations assets. Clearwater Capital Partners, LLC will manage the assets under the SPV.

Investment Description

- International Finance Corporation (IFC)

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.

- Clearwater Capital Partners LLC (Financial Intermediary)
- CLEARWATER CAPITAL PARTNERS ESG I LTD (Financial Intermediary) **is owned by** Clearwater (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

Clearwater Capital Partners, LLC, is an experienced Asia-dedicated distressed and special situations assets investor. Established in 2001, Clearwater is privately owned and has offices in Mumbai, Chongqing, Seoul, Singapore and Hong Kong, each provide an important local presence that allows for in-house market research and direct engagement with market relationships through the entire region. Clearwater counts with 15-year strong investment track record through funds dedicated to distressed assets in Asia and as of today, the firm has approximately US$1.3 billion of assets under management.

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

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/