



MIGA

**Multilateral Investment
Guarantee Agency**

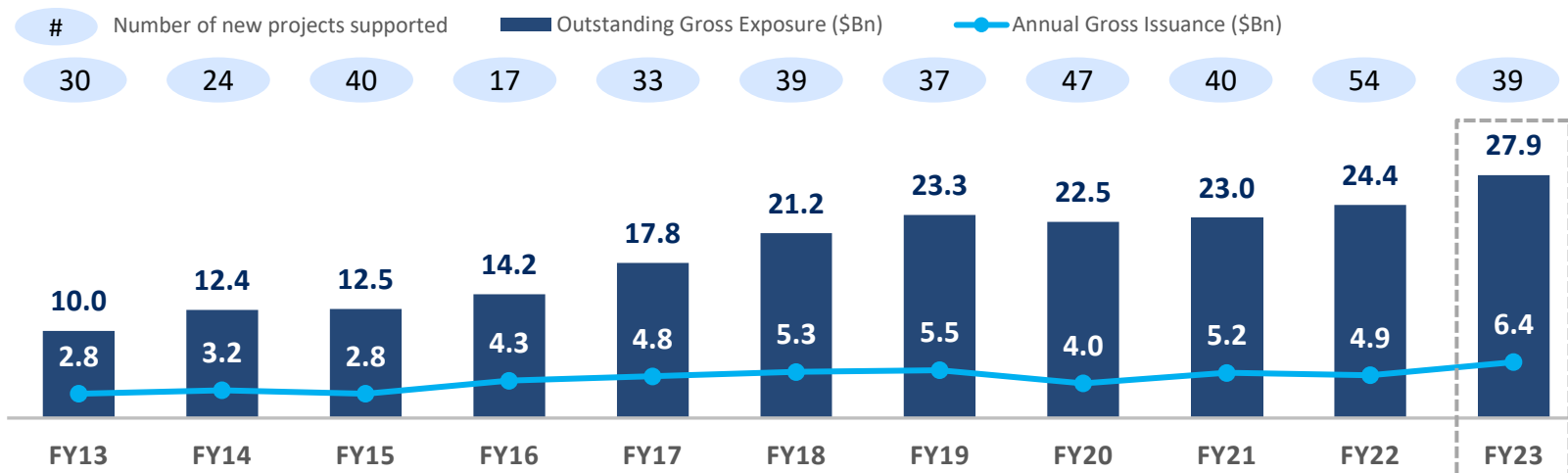
WORLD BANK GROUP

Supporting and De-risking Investments into Ukraine

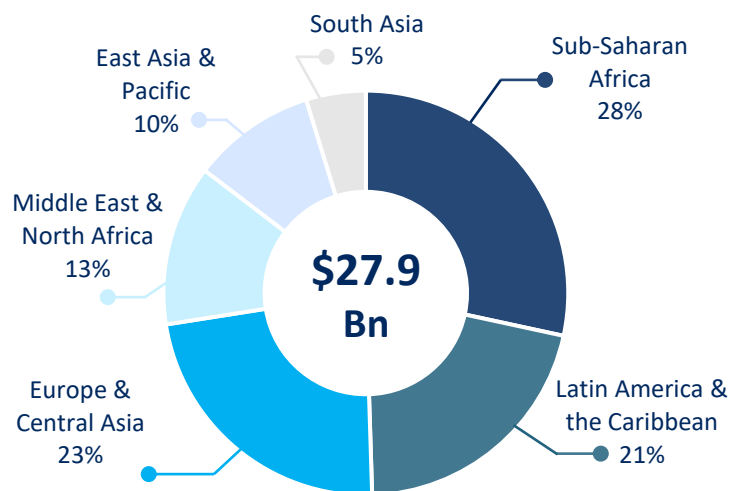
August 2023

MIGA's Activity & Portfolio Overview

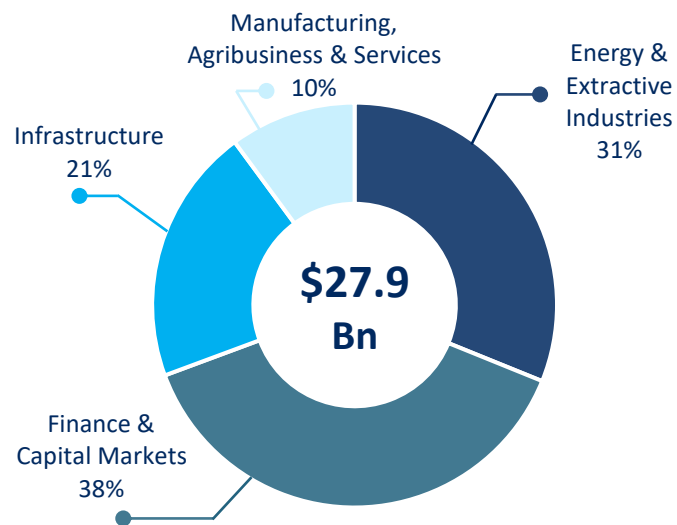
Outstanding Exposure & New Issuance



Breakdown by Region FY23



Breakdown by Sector FY23



Key Parameters of MIGA Cover



- 182 eligible investor countries
- Can cover all/ some foreign investors in a project
- Collaborates with other development institutions (MDBs, DFIs, WB & IFC)

- 154 eligible host countries
- 95% coverage for debt, 90% for equity
- Broad range of cover size
- Tenors up to 20 years
- Client can reduce, cancel, and - subject to approval - transfer or assign the policy

- Identified project
- Developmental impact
- E&S Performance Standards
- Integrity/ KYC

MIGA's Value Added

Unrivalled country risk management

- Robust history of resolving potential political risks before client operations are impacted (155+ pre-claims managed among 1,000+ projects)
- Leverages World Bank Group network

Highly rated and financially stable

- The World Bank Group and its unique structure of 189 member countries provide unparalleled stability and strength valued by investors entering situations with high perceived risk

Innovative product applications

- Strong record of customized solutions for debt and equity investors, governments, project sponsors, and service providers

Strong risk appetite and global reach

- History of operating in the most challenging markets, including low-income and fragile and conflict affected states
- MIGA can support projects with long tenors, of up to 20 years

Pioneer of ESG Investments

- Internationally recognized E&S standards and best practices that significantly reduce investor/ client project and reputational risk

MIGA's Product Lines

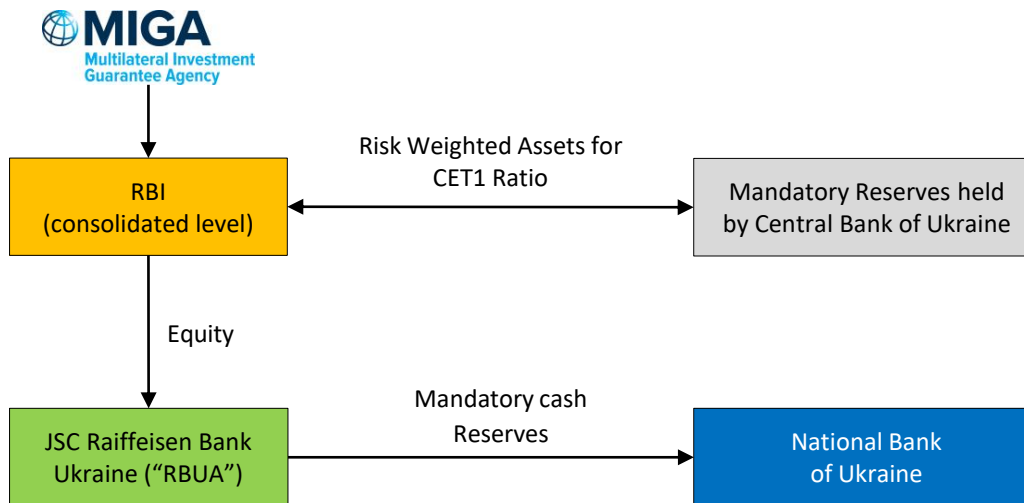
Instrument	Cover
Political Risk Insurance	 Transfer Restriction and Currency Inconvertibility
	 Expropriation
	 War and Civil Disturbance
	 Breach of Contract by Governments and State-Owned Entities
Trade Finance	 Non-Payment by a Public Authority or Government-Owned Entity of its Obligations Relating to a Cross-Border Trade Transaction

Capital optimization generating additional headroom for lending to SME's during war

RBUA, Ukraine

Project Structure

Project Overview



- Obligor
- Guarantee holder
- Project enterprise

Description:

- MIGA's cover will help RBUA navigate through the short-term impacts of Russia's war in Ukraine, which is resulting in strong deleveraging pressures on banks and restricting existing and new lending into the economy
- RBUA intends to use the MIGA-enabled capacity to support its ongoing operations in the country, particularly towards critical industries such as agriculture, food, and healthcare

Guarantee Holder(s):



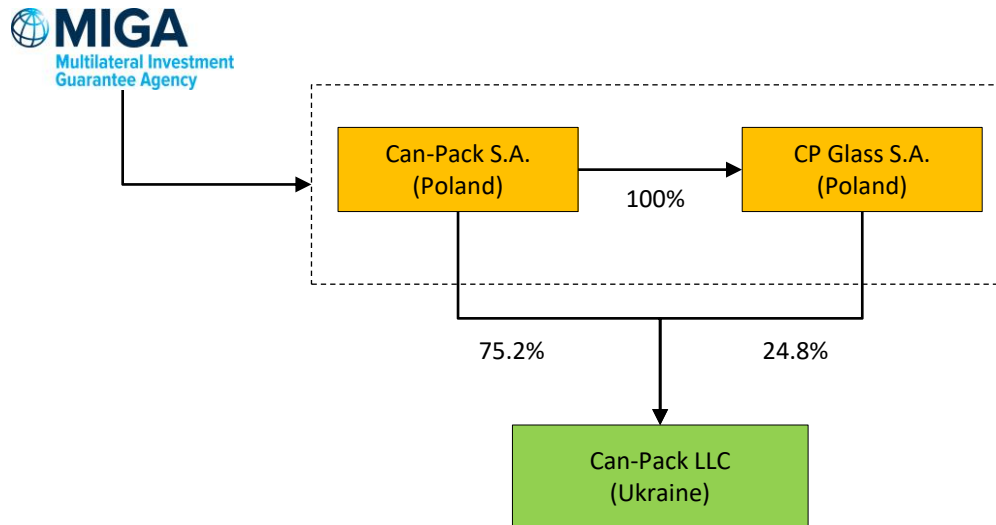
MIGA cover:

- Amount: €100m (equity)
- Tenor: 1 year and 1 day
- Risk(s): Expropriation of funds
- Issued: December 2022

Supporting a highly-automated production facility to maintain competitiveness

Can-Pack, Ukraine

Project Structure



- Guarantee holder
- Project enterprise

Project Overview

Description:

- Construction and operation of a highly-automated aluminum beverage can production facility in the industrial zone of Vyshgorod, a city located 15 km from Kyiv
- Initially, MIGA provided the guarantees in September 2003 for equity investment of \$23.3m; the guarantees were amended (in 2006, 2008, and 2009) to reflect additional equity injections to fund the plant expansion. In September 2018, the guarantee period was extended from 15 years to 20 years (guarantees valid until September 2023)

Guarantee Holder(s):



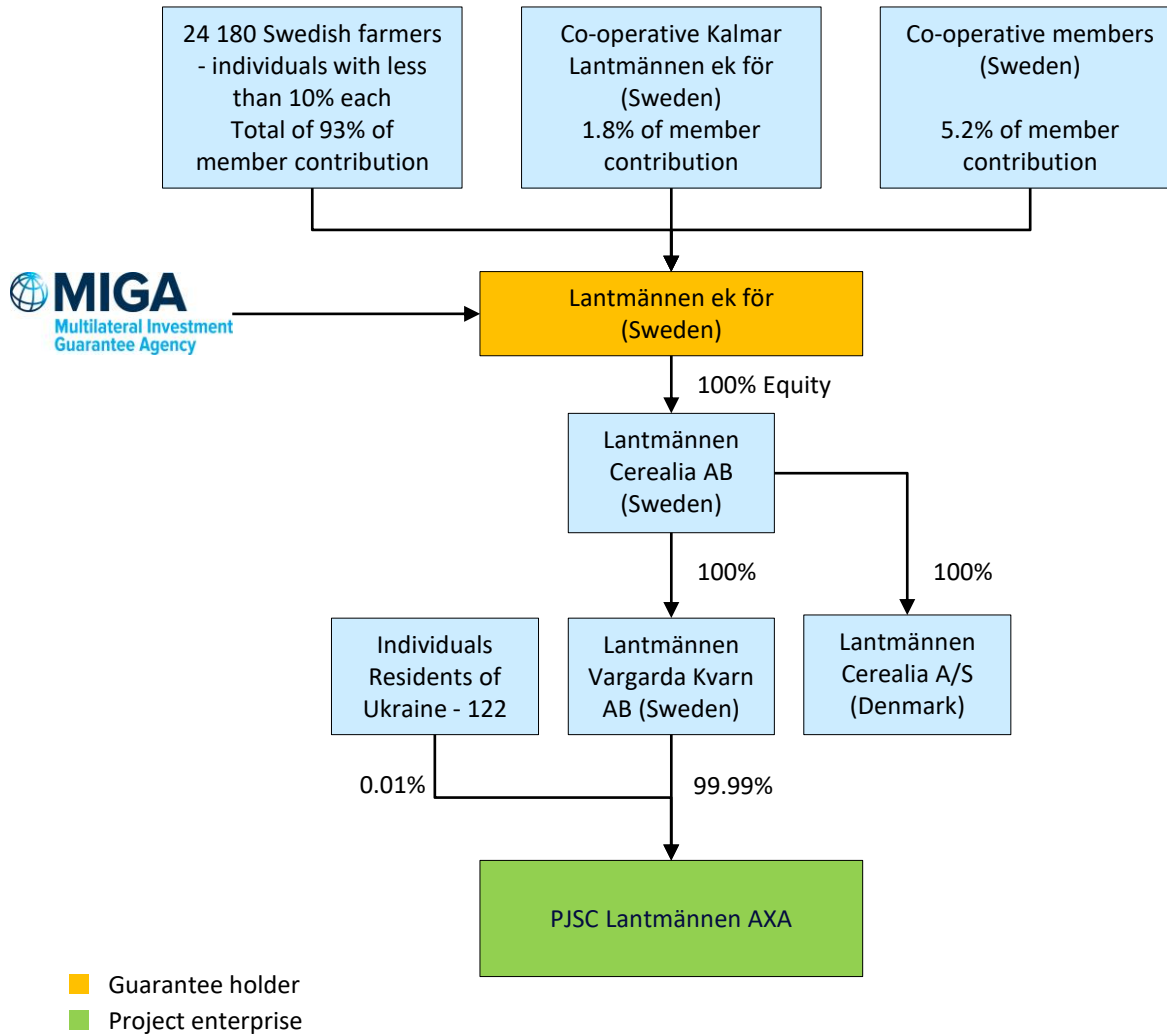
MIGA cover:

- Amount: \$35.5m (equity)
- Tenor: 15 years, extended to 20 years in 2018
- Risk(s): Expropriation, Currency Inconvertibility and Transfer Restriction, War and Civil Disturbance
- Issued: September 2003 / July 2018

Facilitating investment decision in key market

Lantmännen, Ukraine

Project Structure



Project Overview

Description:

- Operation of a factory, warehouse, and office building of a manufacturing company that produces breakfast cereal foods

Guarantee Holder(s):



MIGA cover:

- Amount: €6.4m (equity)
- Tenor: 10 years
- Risk(s): Expropriation, Currency Inconvertibility and Transfer Restriction, War and Civil Disturbance
- Issued: December 2016

Providing TFGs with EBRD in Ukraine



- ▶ Provision of a **\$10m first loss guarantee** by MIGA would be leveraged to maximize the impact of these contributions and would help EBRD **increase its capacity in Ukraine**
- ▶ MIGA proposed support would be for transactions related to 3 SOBs: **UKRGASBANK, UKREXIMBANK and OSCHADBANK**
- ▶ Underlying trade transactions would be for essential goods and would include fuel, metal and industrial goods, medical equipment and supplies, pharmaceuticals, agricultural related products (equipment, fertilizer, seed). Tenor of underlying trade transactions would be for 395 days or less

BACKGROUND:

- ▶ EBRD launched its Trade Facilitation Programme in 1999 and in 2021 supported 168 TF transactions in Ukraine representing approx. EUR 488m in trade. There are 6 issuing banks in their Ukraine program including the 3 State-Owned Banks mentioned above

Expanding the Trade Finance Guarantee (TFG) Initiative with IFC to Ukraine

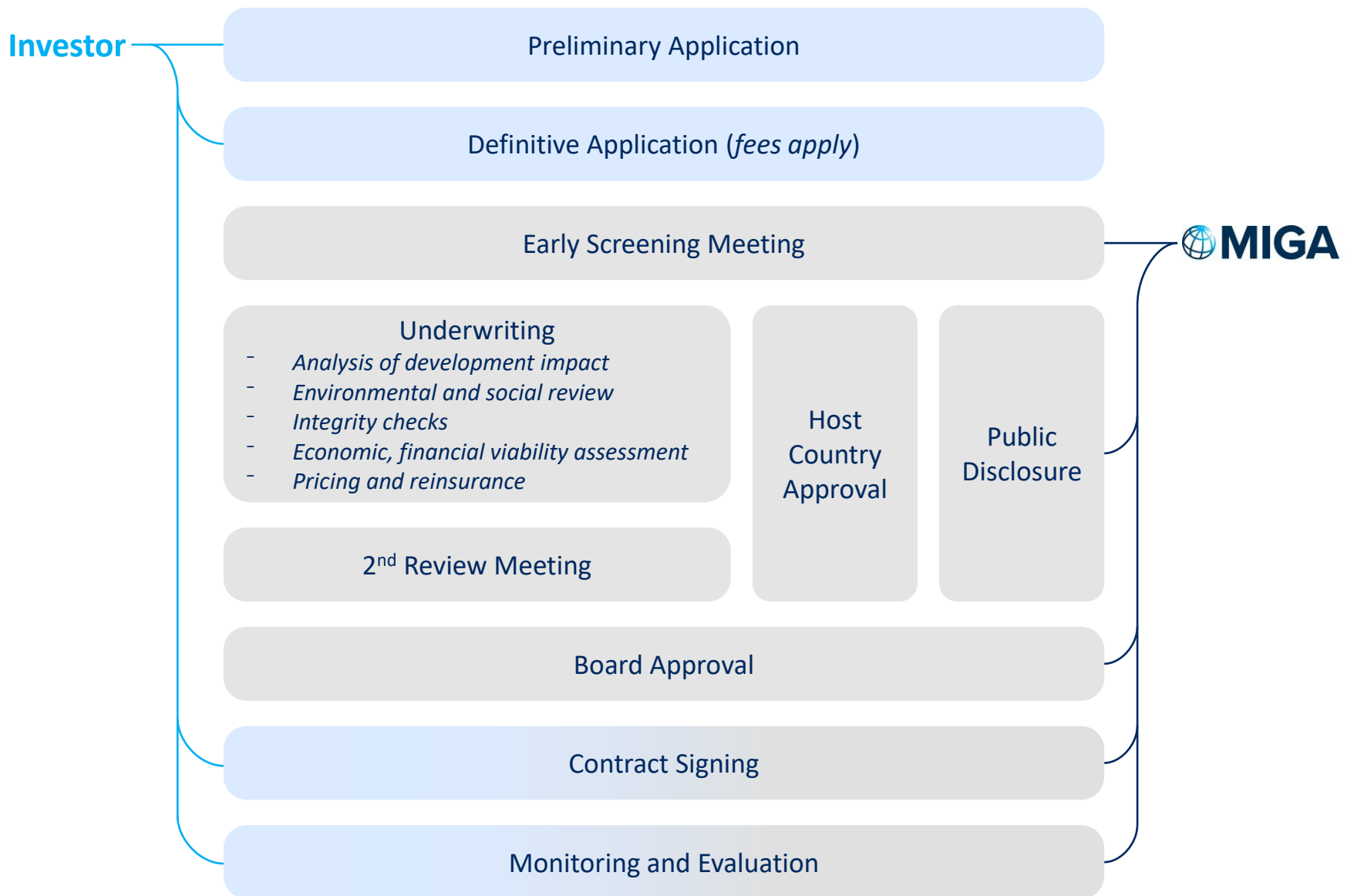


- ▶ **Provision of \$20m** in capacity to IFC under the existing TFG Initiative would allow IFC to support new transactions in Ukraine
- ▶ MIGA proposed support would be for transactions related to two State-Owned Banks: **UKRGASBANK and UKREXIMBANK**
- ▶ Underlying transactions would target critical goods (except products related to oil and gas) and are expected to include emergency equipment/medical supplies, pharmaceuticals, goods for the agricultural sector (equipment, fertilizer, seed). Transactions are expected to have tenors of 90-180 days

BACKGROUND:

- ▶ IFC launched its GTFP program in Ukraine in 2009 and since then has supported approximately \$730m in trade transactions. There are five issuing banks in the program in Ukraine including the two State-Owned Banks mentioned above

Registration and Underwriting Process



MIGA Contacts

Ms. Olga SCLOVSCAIA

Regional Head
Europe and Central Asia



+1 202 415 7975
osclovscia@worldbank.org

Ms. Annabelle LIBEAU

Investment Guarantee Officer
Europe and Central Asia



+1 202 725 3243
alibeau@worldbank.org



miga.org



[miga-twitter](https://twitter.com/miga-twitter)



[miga-linkedin](https://www.linkedin.com/company/miga-linkedin)

INSURING INVESTMENTS ■ ENSURING OPPORTUNITIES