



WORLD BANK GROUP GUARANTEE PRODUCTS

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WORLD BANK GROUP

World Bank Group Guarantee Products



	Guarantee Instrument	Borrower/Investor	Project Type	Beneficiary	Risks Covered	Unique Needs
WORLD BANK	Policy-based Guarantee (IBRD countries)	Sovereign government	Public sector program involving structural, institutional, or social policies and reforms (Development Policy Operations)	Private lender or bond investor	Credit risk of sovereign government regardless of cause of default	<ul style="list-style-type: none"> Guarantees debt investments only Government must sign a counter-guarantee agreement with the Bank (as with IBRD loans to sub-national entities)
	Partial Credit Guarantee (IBRD countries)	Sovereign government or sub-national entities (states, municipalities and state-owned enterprises)	Public investment project (Investment Operations)		Credit risk of sovereign government or sub-sovereign entity regardless of cause of default	
	Partial Risk Guarantee (IBRD and IDA countries)	Private projects	Projects with private sector participation such as build-operate-transfer (BOT) and concession projects; public private partnership projects (PPPs); privatizations		Failure of sovereign government to perform contractual obligations for the project, which may include the coverage of: <ul style="list-style-type: none"> Government payment obligations Contractual performance of public counterparties Change of laws and regulations Expropriation Non-convertibility and transferability of currency War and civil disturbance, etc. 	
	IBRD Enclave Partial Risk Guarantee (IDA countries)	Private projects	Mainly for export-oriented, foreign exchange-generating projects with private sector participation		Failure of sovereign government to perform contractual obligations for the project, which may include the coverage of: <ul style="list-style-type: none"> Government payment obligations Contractual performance of public counterparties Change of laws and regulations Expropriation War and civil disturbance 	
IFC	Full Credit Guarantee; Partial Credit Guarantee (IBRD and IDA countries)	Private sector entities	Corporate, project, structured and trade financing	Lenders, investors and other providers of credit to the private sector	Failure to meet payment obligations	<ul style="list-style-type: none"> Guarantees bonds, loans, asset portfolios, derivative contracts, trade finance, and other financial instruments No counter-guarantee required Emphasis placed on transactions that mobilize local currency, develop domestic financial markets, enable client access to hedging solutions, and/or channel financing into highly developmental sectors such as SMEs, education, microfinance and climate
MIGA	Political Risk Insurance (MIGA member countries)	Private sector companies or government-owned companies operating on a commercial basis	Private or public sector project involving cross-border investment	Private investor or lender or government-owned company operating on a commercial basis	<ul style="list-style-type: none"> Expropriation Sovereign government or sub-sovereign entity's breach or repudiation of contract with investor Sovereign government or sub-sovereign entity's failure to meet payment obligations Non-convertibility and transferability of currency War, terrorism, and civil disturbance 	<ul style="list-style-type: none"> Guarantees equity investments, shareholder loans, shareholder loan guarantees, and non-shareholder loans (in relation to a specific investment or project) Requires host country approval but no counter-guarantee