

 Early Warning System

DFC-2023-NATIONALBANKO

National Bank of Iraq



Quick Facts

Countries	Iraq
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Approved
Bank Risk Rating	FI
Borrower	National Bank of Iraq
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 85.00 million



Project Description

According to the DFC, the project consists of a \$50 million senior loan to National Bank of Iraq for on-lending to small and medium-sized enterprises

The Project is expected to have a positive developmental impact in Iraq by increasing lending to small and medium sized enterprises (SMEs). SMEs in Iraq account for over 90% of private sector employment, yet they face a finance gap of \$37.93 billion. Barriers to SME financing include difficult registration and collateral requirements, which the Project will help address through innovative products streamlining the loan process and reducing the need for physical collateral. DFC's support is expected to expand access to SME financing in Iraq with an emphasis on first-time borrowers.



Early Warning System Project Analysis

As stated in the project summary disclosed by the bank, DFC direct loans to financial institutions who will use the loan to on-lend to small and medium enterprises are screened as a Financial Intermediary C (FI-C) for environmental and social assessment.



Investment Description

- US International Development Finance Corporation (DFC)

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.

- [National Bank of Iraq](#) (Financial Intermediary) **is owned by** [Capital Bank Jordan](#) (Parent Company)



Private Actors Description

As stated on the company's LinkedIn profile, the National Bank of Iraq (NBI) was founded in 1995 as a publicly traded, private sector company, offering comprehensive banking services to individuals and businesses in Iraq. As a result of the Bank's success and to fuel future growth, its paid up capital was increased from the initial 400 million IQD (USD 361,000) to IQD 250 billion (USD 215 million) in December 2013.

In 2005, Capital Bank Jordan acquired majority shares (61.85%) in the Bank, allowing NBI to evolve its business offerings, strengthen its global footprint, and promote financial inclusion across the country.



Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - National Bank of Iraq:

Address: Baghdad, Al-Saadoun, near Al-Firdaws Square, Al-Alawiya PO Box 3064

Phone: +964 771 7777 444 / +964 780 777 7444

Email: customer.complaints@nbi.iq / website@nbi.iq

Website: <https://nbi.iq/>

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)