

 Early Warning System

DFC-2024-BANKOFKIGALI

Bank of Kigali Plc



Quick Facts

Countries	Rwanda
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Bank of Kigali Plc
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee, Loan
Investment Amount (USD)	\$ 20.00 million
Project Cost (USD)	\$ 40.00 million



Project Description

According to the Bank's website, the project consists of a loan portfolio guaranty with 50% coverage to increase Bank of Kigali's ability to provide loans to SMEs in Rwanda, including, but not exclusively, in the agricultural value chain, thereby stimulating economic growth.

The Project will have a positive development impact in Rwanda by increasing access to finance for the country's SMEs with a focus on those operating in the agriculture value chain, including enterprises that are women owned/led.



Early Warning System Project Analysis

DFC loan portfolio guaranties for the expansion of on-lending to SMEs in industry agnostic sectors which includes retail trade, agriculture, and education are screened as a Financial Intermediary C (FI-C) for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as low risk and further review and consent is not required for these investments.



Investment Description

- US International Development Finance Corporation (DFC)

A loan portfolio guaranty with 50% coverage.

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.

- [Bank of Kigali Plc](#) (Financial Intermediary)



Private Actors Description

Bank of Kigali Plc (BK) was established as an equal Joint Venture (JV) between Government of Rwanda (GoR) and Belgolaise S.A in 1967. Following Fortis Bank's strategy of withdrawing its operations in Africa in 2005, the GoR acquired the Belgolaise S.A. share in 2007, thus increasing its shareholding in the Bank to 100%. In 2011, GoR sold a 45% stake via an IPO, leading to BoK's listing on Rwanda Securities Exchange (RSE) and the Bank changed its name from Bank of Kigali S.A to Bank of Kigali Limited.

In 2017, the Bank underwent a corporate restructuring and became a wholly owned subsidiary of BK Group PLC (the "BKG"), a holding company. BKG is listed on the Rwanda Stock Exchange and the Nairobi Securities Exchange. BKG is owned by Rwanda Social Security Board (34.3%), Agaciro Development Fund (22%), international institutional investors (29.2%), local institutional investors (7.0%) and the remaining 7.5% by regional institutional and retail investors.



Contact Information

No contacts available at the time of disclosure.

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](#) [\[Original Source\]](#)