

 Early Warning System

DFC-2024-PSBLIQUDSBANK

PSBLI Quds Bank



Quick Facts

Countries	Palestine, West Bank, Gaza
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Middle East Investment Initiative ("MEII"); Quds Bank
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 20.00 million
Project Cost (USD)	\$ 193.70 million



Project Description

According to the Bank's website, the project involves the provision of loan guaranty and financial lease guaranty facility for micro-, small-, and medium-sized enterprises ("MSMEs") operating in and households located in the West Bank.

By partnering with local lenders and lessors to de-risk financing MSMEs, the Project will not only increase access to finance in the short term but will increase local financial institutions' confidence in future lending to this enterprise segment. DFC technical assistance ("TA"), operating in coordinating with MEII's existing TA program, will support both the partner financial institutions ("FIs") and MSMEs. The Project is particularly expected to benefit women-owned enterprises through the adoption of strong gender targets, partnership with new FIs targeting women borrowers, and business development support to women micro entrepreneurs. Additionally, the Project will expand eligibility for coverage to home improvement loans for the first time, expected to represent 15% of the guaranty cover.



Early Warning System Project Analysis

DFC loan portfolio guarantees for financial intermediaries to expand their MSME portfolio 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)

\$150 million (12-year total facility tenor, 8-year downstream loan origination period), \$20 million (Quds Bank allocation)

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.

- [Middle East Investment Initiative-Palestine](#) (Financial Intermediary)
- [Quds Bank](#) (Financial Intermediary)



Private Actors Description

Middle East Investment Initiative - MEII is a non-profit organization that leverages public and private resources to deliver finance and technical assistance programs.

Quds Bank ("QB") is the sixth largest bank operating in the Palestinian market and the third largest local commercial bank. It has been listed on the Palestine Exchange since 1997. Major shareholders include the Abdul-Latif Jarab family (ca. 30%, including Akram Abdul-Latif Jarab who holds 18%), Palestinian Pension Agency (17%) and Jordan Kuwait Bank (11%), with the remaining shareholders owning under 5% each.



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



Other Related Projects

- DFC-2024-PSBLIBANKOFP PSBLI Bank of Palestine PSC
- DFC-2024-PSBLICAIROAMM PSBLI Cairo Amman Bank
- DFC-2024-PSBLIBANKOFJ PSBLI Bank of Jordan
- DFC-2024-PSBLIJORDANAH PSBLI Jordan Ahli Bank
- DFC-2024-PSBLITHENATIO PSBLI The National Bank