

 Early Warning System

EBRD-56196

FIF - FATEN SME Facility Top-Up



Quick Facts

Countries	Palestine, West Bank, Gaza
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-03-26
Borrower	Palestine for Credit and Development
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 2.00 million
Project Cost (USD)	\$ 2.00 million



Project Description

According to bank provided information, the investment involves the provision of a USD 3.0 million (EUR 2.9 million) package in favor of Palestine for Credit and Development (FATEN), the largest non-profit microfinance institution in the West Bank and Gaza. The package will include two facilities as follows: (i) USD 2.0 million SME facility for on-lending to eligible MSMEs based in the West Bank; and (ii) USD 1.0 million Women in Business (WiB) facility for on-lending to eligible women-led businesses in the West Bank. Both facilities will be structured in a single tranche.

The WiB loan will be accompanied by a 20% first-loss risk cover (FLRC) funded by the European Union through its Initiative for Financial Inclusion (Neighbourhood Investment Facility - SEMED Financial Inclusion Programme). The FLRC will be provided for the benefit of FATEN's portfolio of women businesses to encourage FATEN to continue lending to the most underbanked segments of the economy.

The operation will enable FATEN to scale up lending to MSMEs and women-led businesses in the West Bank with the WiB loan dedicated solely to supporting women-led businesses. This package is crucial in response to the increased demand for financing by MSMEs in the West Bank due to the challenging economic conditions.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

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.

- [Palestine for Credit and Development](#) (Financial Intermediary)



Contact Information

Lubna Aboudi

lubna.aboudi@faten.org

+970 2 296 1471

www.faten.org

Al-Tireh, P.O Box 2446, Ramallah, West Bank & Gaza

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>