

 Early Warning System

EIB-20190606

RURAL FINANCE AND DEVELOPMENT ETHIOPIA



Quick Facts

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| Countries | Ethiopia |
| Financial Institutions | European Investment Bank (EIB) |
| Status | Approved |
| Bank Risk Rating | U |
| Voting Date | 2025-06-19 |
| Borrower | Government of Ethiopia - Development Bank of Ethiopia (DBE) |
| Sectors | Agriculture and Forestry, Finance, Industry and Trade |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 126.63 million |



Project Description

According to the Bank's website, the project will finance the agri-food/bioeconomy sector and rural development sector in support of the EU's Multiannual Indicative Programme (and in particular the Green Growth pillar under the Green Deal Priority Area) and IFAD's third Rural Financial Intermediation Programme. The EIB will provide a Multiple Beneficiary Intermediated Loan (MBIL) to the Federal Democratic Republic of Ethiopia to be on-lent by the Development Bank of Ethiopia (DBE) to final beneficiaries (small-holder farmers) either via Micro-finance Institutions (MFI), Rural Savings and Credit Cooperatives (RUSACCO's) or their Cooperative Unions.

The objective is to increase access to finance for rural households, particularly smallholder farmers and women, and to establish sustainable rural financial institutions. Additional positive impacts expected from the project include enhanced productivity and value addition, leading to higher incomes and employment. Consequently, it will contribute to improved food security.



Early Warning System Project Analysis

According to the Environmental and Social Data Sheet, the expected small size of sub-projects financed by the RFIs reduces the significance of potential environmental and social risks and impacts. However, there are some activities funded by RFIs, that cumulatively may have adverse effects on water pollution, soil erosion or contamination, deforestation, etc.



Investment Description

- European Investment Bank (EIB)

A Multiple Beneficiary Intermediated Loan (MBIL).

Under EFSD+ Guarantee

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.

- [Development Bank of Ethiopia](#) (Financial Intermediary)



Private Actors Description

The *Development Bank of Ethiopia (DBE)* is a specialized state-owned development financial institution, which is supervised by the Public Financial Enterprises Agency in Ethiopia.



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm>

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: complaints@eib.org, by completing the online complaint form available at the following address: <http://www.eib.org/complaints/form> via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: <http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces>



Bank Documents

- [Environmental and Social Data Sheet \(ESDS\) - RURAL FINANCE AND DEVELOPMENT ETHIOPIA](#)