

 Early Warning System

FMO-50482  
SANAD FUND FOR MSME



## Quick Facts

Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-01-17
Borrower	SANAD Fund for MSME
Sectors	Agriculture and Forestry, Construction, Finance, Industry and Trade
Investment Amount (USD)	\$ 9.09 million
Project Cost (USD)	\$ 15.15 million



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## Project Description

As stated on the project disclosure page, the FMO is providing financing to SANAD through an investment of USD 15 million in the senior tranche of the debt sub-fund, money that will be on-lent by local partners to MSMEs. The investment comes from the MASSIF Fund, which FMO manages on behalf of the Dutch Ministry of Foreign Affairs. Supporting SANAD is an important step for MASSIF to further support entrepreneurs and SMEs in this (conflict) affected part of the world.

Due to conflict and instability, the MENA region is a challenging region for investors. Financing in MENA is provided mainly to larger companies, while employment is largely driven by MSMEs. Given the developmental challenges resulting from the region's current situation and the need for MSME financing, FMO has increased its activities in the region's financial sector, to provide scarce financing for further economic, sustainable, and social development. The investment fits further efforts and activities of the Dutch Government to support economies in the MENA region, specifically in countries which deal with a strong influx of refugees.



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## Investment Description

- Netherlands Development Finance Company (FMO)

## 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.

- [Sanad Fund for MSME](#) (Financial Intermediary) **is owned by** [Finance in Motion GmbH](#) (Parent Company)



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## Private Actor Relationship

MASSIF

## Private Actors Description

As stated by the FMO, the investment in SANAD Debt Sub-Fund for MSME is going to support small businesses in the Middle East and North Africa (MENA). "SANAD" means "support" in Arabic. The Debt Sub-Fund seeks to promote stability in a challenging region by expanding financial inclusion for MSMEs that often have difficulties finding access to capital for starting or growing a business. SANAD loans to local financial institutions are on-lent to support MSMEs in multiple sectors, and the fund is currently examining expansions in areas such as agribusiness, housing, and youth and gender initiatives.

The fund is managed by Finance in Motion GmbH.



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## Contact Information

*No project contacts available at the time of disclosure.*

### Financial Intermediary - Sanad Fund for MSME:

Address: Finance in Motion GmbH, Luxembourg Branch, 2 rue Henri Heine, 1720 Luxembourg

Phone: +352 (0) 28 85 19 362

Email: [investors@finance-in-motion.com](mailto:investors@finance-in-motion.com)

Website: <https://sanad.lu/the-fund>

### FMO South Africa:

Phone: +27 11 507 2500

Email: [joburg-office@fmo.nl](mailto:joburg-office@fmo.nl)

### ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>.



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## Bank Documents

- [Project Information](#)



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### Other Related Projects

- FMO-50483 SANAD FUND FOR MSME