Early Warning System

FMO-53560

Fransabank S.A.L.

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Quick Facts

Countries	Lebanon
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-05-12
Borrower	Fransabank
Sectors	Finance, Industry and Trade
Ring Fence	No Restrictions
Investment Type(s)	Loan
Investment Amount (USD)	$ 15.00 million

Project Description

According to FMO's website, this project provides financing to Fransabank sal in supporting its small and medium-sized enterprise (SME) clients through trade finance.

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.

- Fransabank SAL (Financial Intermediary)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

"Fransabank sal is a private universal bank is the number 4 bank and the oldest financial institution in Lebanon. Throughout the years, the Bank has grown organically as well as through acquisitions of other banks. Fransabank sal is the parent company of Fransabank Group, which predominately operates in the Middle East and North Africa. Headquartered in the capital city Beirut, it has the widest local branch network with 74 branches spread all over the country. The Bank provides a wide range of commercial and retail banking and related financial services. Majority of the clients are Lebanese individuals and private sector companies and, increasingly, foreign companies operating in Lebanon. The Bank also provides specialized financial services through its subsidiaries Fransa Invest Bank SAL, Lebanese Leasing Company SAL, and Bancassurance SAL."

Contact Information

No contact information available at time of writing.

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@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