Early Warning System

FMO-53749

PROXIMITY FINANCE MICROFINANCE. LTD

Early Warning System

PROXIMITY FINANCE MICROFINANCE. LTD

FMO-53749

Quick Facts

Countries	Myanmar
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	C
Voting Date	2018-05-28
Borrower	Proximity Finance (Proximity Designs)
Sectors	Agriculture and Forestry, Finance, Humanitarian Response
Investment Type(s)	Loan
Investment Amount (USD)	$ 2.00 million
Loan Amount (USD)	$ 2.00 million

Project Description

As stated by the FMO, the Proximity Finance provides microfinance loans to farmers in rural ares especially in delta, dryzone and upland areas of Myanmar. It's a program under the Proximity Designs and was initiated after the Nargis cyclone to support rural farmer recovery.
This project concerns a USD 2 mln loan in MMK equivalent to Proximity Finance. The funds will be geared towards agriculture clients in rural areas of a low-income country.

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.

- Proximity Finance (Financial Intermediary) **is owned by** Proximity Designs (Parent Company)

Private Actor Relationship

MASSIF

Private Actors Description

As stated by the FMO, Proximity Finance ('PF') is a microfinance program under Proximity Designs, a social business based in Myanmar. Proximity Designs delivers affordable, income-boosting products that complement the entrepreneurial spirit of rural families. PF started as an initiative following the devastating consequences of the Nargis cyclone to help rural farmers recover. PF is the main asset of Proximity Designs (60% of Proximity Designs's total assets). PF currently has a loan portfolio of USD 14.8mln and serves 80k farmers. PF provides microfinance loans to farmers in the Delta, Dry Zone, and Uplands areas of Myanmar. PF will become a separate legal entity by mid-2018.

Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - Proximity Finance:

Address: 24 Saya San Road, Bahan Township, Yangon, Myanmar 11201
Email: adminandfacility@proximityfinance.org
Website: https://proximityfinance.org/

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

Other Related Projects

- DFC-PROXIMITYFINANCE Proximity Finance
- FMO-59775 PROXIMITY FINANCE MICROFINANCE. LTD