Early Warning System

FMO-55362

B.L.C. BANK 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	2019-01-11
Borrower	B.L.C. BANK S.A.L
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Loan
Investment Amount (USD)	$ 6.00 million
Loan Amount (USD)	$ 6.00 million

Project Description

According to bank information, FMO's Trade Finance Limit supports BLC Bank in its objective to expand its financial services to SME and corporate clients and become a bank of reference in this segment. By taking away country and counterparty risk, it allows the bank to build and maintain relationship with international banks.

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.

- BLC BANK S.A.L. (Financial Intermediary)
- BLC Bank (Financial Intermediary) **is owned by** Fransabank (Parent Company)

Private Actor Relationship

FMO NV

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

BLC Bank S.A.L. is a Lebanese Joint Stock Company based in Beirut, Lebanon. It was incorporated in 1950 as a family-owned bank, making it one of the oldest banks in Lebanon. The bank and its subsidiaries are primarily involved in investment, corporate and retail banking across Lebanon and Cyprus. The corporate banking segment offers credit facilities, project finance and payroll services to corporate and institutional clients. The retail segment offers deposit accounts, insurance products and loans. The private banking segment offers capital guaranteed products, equities, f/x and bond trading. The bank operates a network of over 50 branches across Lebanon. BLC Bank is particularly active in SME and women lending in Lebanon and gradually became a bank of reference in the retail sector with innovative consumer products. Its "We Initiative" program provides the bank with a competitive edge in the women lending segment in Lebanon. Fransabank SAL is the ultimate parent of the Bank with 68.58% of shares. BLC Bank's subsidiaries are BLC Finance (98.99%), BLC Services (90.67%) and USB Bank - Cyprus (99.25%). The bank's shares are listed on the Beirut Stock Exchange.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Fransabank SAL	Parent Company	-

Contact Information

Contact information not provided at the time of disclosure

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