

 Early Warning System

FMO-57280

UNITED LIWWA FOR SME FINANCE LLC



Quick Facts

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| Countries | Jordan |
| Financial Institutions | Netherlands Development Finance Company (FMO) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2020-11-23 |
| Borrower | United Liwwa |
| Sectors | Finance |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 1.00 million |
| Loan Amount (USD) | \$ 1.00 million |



Project Description

According to bank provided information, FMO's USD 1 million Debt Facility will be on lent to (underserved) MSMEs in Jordan.

According to FMO, "Liwwa has an unique brand in Jordan and strong competitive advantages that allow replicating the platform in the MENA region (i.e. excellent customer experience, technology-driven loan process and Sharia compliant loan product). Furthermore, there is a clear defined client segment and proof of demand: Jordanian small businesses are un(der)served, but sophisticated enough for an automated loan process and sizable enough to scale the business. Liwwa has a strong management team that allows for innovation and learning, while executing on organizational development. Co-founder and CEO Ahmed Moore has built strong relations in the Jordan banking and business community. Finally, the client received early-stage investments by reputable, local VC funds with MENA footprint, which signals confidence in the Liwwa's business model and management team."



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.

- [Liwwa Inc.](#) (Financial Intermediary)



Private Actor Relationship

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Private Actors Description

FMO's client United Liwwa for SME Finance is a technology enabled SME lending company with proprietary marketplace, established in 2015 and operational in Jordan. Liwwa fulfils the working capital need of un(der)served SMEs by funding the purchase of trade goods and fixed assets based on bank statements, discounting of invoices and working capital based on proven sales via Point of Sales. Through the marketplace, retail 'investors' can participate in higher yielding, unsecured SME loans with historic returns of ~9-16%. Liwwa blends marketplace funding with financing from partner banks. It retains a minimum 10% share in each SME loan as 'skin in the game'. FMO is shareholder of Liwwa Inc., the parent company.



Contact Information

Contact information not provided at the time of disclosure

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>