

 Early Warning System

FMO-58315

Dolma Impact Fund II



Quick Facts

Countries	Nepal
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2021-05-06
Borrower	Dolma Impact Fund II
Sectors	Energy, Finance, Hydropower
Investment Type(s)	Loan
Investment Amount (USD)	\$ 10.00 million
Project Cost (USD)	\$ 10.00 million



Project Description

According to the bank's website, "FMO's investment in Fund II will be from two government funds, MASSIF and Building Prospects. Objective of the investment is to continue supporting the first-time fund manager, Dolma, and assist the team in deploying capital towards impactful transactions that result in both economic and social impact."

"Fund II will invest in Nepal which is one of poorest 55 nations in the world and hence is classified as Least Developed Country ("LDC"). Supporting investments in LDCs is one of the core strategies of FMO and MASSIF. In addition, Dolma is one of the first private equity ("PE") fund managers focused on Nepal and has played a key role in developing the PE sector in the country. Fund II's strategy of investing in renewable energy in a country that has an energy deficit and investing in companies that need capital to grow alongside its economy (and hence simultaneously boosting it) touches another cornerstone of FMO's strategy."



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.

- [Dolma Fund Management](#) (Financial Intermediary)



Private Actors Description

According to FMO, Dolma Impact Fund II ("DIF II" or "Fund II") is the follow-on fund of Dolma Impact Fund I, where FMO played an anchor investor role. DIF II has a strategy to provide scarce (growth) capital to small- and medium-sized enterprises (SMEs) in Nepal, in the healthcare, renewable energy, technology, and other sectors with high growth and impact potential. Fund II is established to generate private sector-led growth while creating positive social and environmental impact. The fund is managed by Dolma Fund Management ("Fund Manager" or "Dolma")



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Dolma Impact Fund II	Client	-



Contact Information

No contact information provided at 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>