Early Warning System

FMO-59063

HSA Foods Yemen

Early Warning System
HSA Foods Yemen

FMO-59063

Quick Facts

Countries	Yemen
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2021-05-12
Borrower	HSA Foods Group
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million
Project Cost (USD)	$ 75.00 million

Project Description

According to bank provided information, FMO will participate for USD 20 million in a USD 75 million debt facility (the "Facility") led by IFC. The funds will be used by the Co-Borrowers to prepay their raw materials, foodstuff commodities, predominantly wheat, raw sugar and powdered milk.

According to the United Nations, the condition in Yemen is close to a famine and almost half of the population is experiencing high levels of food insecurity. The facility will help the Co-Borrowers increase the imports of raw materials for the production of the most basic foodstuffs, i.e., flour, sugar and dairy in volumes that will materially improve the nutrition of the population.

Early Warning System Project Analysis

The FMO categorized the project risk as B+.

Investment Description

- Netherlands Development Finance Company (FMO)

Private Actors Description

As stated by the FMO, HSA Foods consists of six companies (the "Co-Borrowers"), members of the HSA Group namely, (i) National Dairy and Food Company Taiz; (ii) National Dairy and Food Company Hodaida; (iii) Yemen Company for Sugar Refining; (iv) Yemen Company for Flour Mills and Silos Aden; (v) Yemen Company for Flour Mills and Silos Al Hodaida; and (vi) Al Hodaida Flour Mills Co. Limited.
HSA Group is a family-owned conglomerate established in Yemen in 1938 and today is one of the largest multinational businesses based in the Middle East. The Group manufactures and supplies essential goods and services to multinational organisations, communities, and families, both in Yemen, where it is the country’s largest company, and across the Middle East and North Africa region.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	HSA Foods Group	Client	-

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

Other Related Projects

- IFC-43466 HSA Foods Yemen