

 Early Warning System

FMO-59419

BRAC LIBERIA



Quick Facts

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|--------------------------------|---|
| Financial Institutions | Netherlands Development Finance Company (FMO) |
| Status | Active |
| Bank Risk Rating | U |
| Voting Date | 2020-12-21 |
| Borrower | BRAC Microfinance Sierra Leone Limited (BMSL) and BRAC Liberia Microfinance Company Limited (BML) |
| Sectors | Finance |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 0.06 million |
| Project Cost (USD) | \$ 0.06 million |



Project Description

The contracting entities are BRAC Microfinance Sierra Leone Limited (BMSL) and BRAC Liberia Microfinance Company Limited (BML), wholly owned subsidiaries of BRAC International Holdings BV, which operate in microfinance. In 2008, BRAC started its microfinance activities in both Sierra Leone and Liberia. As of July 2019, BMSL has reached over 49,000 clients and BML 36,000 with their two main products: individual microloans for women delivered through groups, and enterprise loans targeting both male and female small-scale entrepreneurs.

In this project, an in-depth market analysis will be conducted and client-centric products and services will be developed. The project has two main goals: i) to have a deeper understanding of economic activities and financial needs of smallholder farmers in Sierra Leone and Liberia, and ii) to diversify the product offerings in the two countries to address the specific needs of the smallholder farmers, especially female farmers in these countries.

The development of financial products and delivery models for smallholder farmers (mainly women) is key in the context of reducing rural poverty, improving food security and supporting economic development. It is expected that interesting learnings can be derived from this project about smallholder financing. In addition, the project is well aligned with MASSIF's impact priorities and contributes to FMO's Gender finance strategy as the main target for this project are women.



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.

- [BRAC Liberia Microfinance Company Limited \(BML\)](#) (Financial Intermediary) **is owned by** [BRAC International Holdings BV](#) (Parent Company)
- [BRAC Microfinance Sierra Leone Limited \(BMSL\)](#) (Financial Intermediary) **is owned by** [BRAC International Holdings BV](#) (Parent Company)



Private Actor Relationship

MASSIF

Private Actors Description

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Contact Information

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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>



Bank Documents

- [Project Information](#)



Other Related Projects

- FMO-59418 BRAC SIERRA LEONE