Early Warning System

FMO-61648

FATEN

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Quick Facts

Countries	Palestine, West Bank, Gaza
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-06-19
Borrower	FATEN (Palestine for Credit and Development)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 5.50 million
Loan Amount (USD)	$ 5.50 million
Project Cost (USD)	$ 5.50 million

Project Description

According to bank provided information, Faten (Palestine for Credit and Development) started as a program under Save the Children in 1995 and was spun-off in 1999 into a not-for-profit company with a mission to serve the financial needs of low- and middle-income Palestinian entrepreneurs and individuals. It became licensed and monitored by the Palestine Monetary Authority in 2014 and is currently the largest microfinance institution in the West Bank and Gaza commanding a market share of ~50%, ~26,000 active borrowers and an outstanding portfolio worth ~USD 150m.

FMO offers Faten additional funds to support its portfolio growth in the West Bank and Gaza, especially towards women, young people and refugees. We also offer a risk sharing facility to support M/SMES loan portfolio growth in Gaza specifically.

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.

- Palestine for Credit and Development (Financial Intermediary)

Private Actor Relationship

MASSIF

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