

Early Warning System

FMO-62843

Nithio FI B.V.

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Quick Facts

Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2023-12-15
Borrower	Nithio Finance Inc.
Sectors	Energy, Finance
Investment Amount (USD)	$ 10.00 million

Project Description

As stated on the project disclosure page, the FMO will invest USD10mln from the Access to Energy Fund into the Fund's senior debt layer. Upon FMO's entry the total vehicle is expected to have raised around USD50mln, with further funds envisaged to be added in subsequent years. FMO's funding will be invested into multiple energy access companies.

Lack of energy and financial access to the Bottom of the Pyramid (BoP) and businesses continues to hold back social and economic development in (particularly) SSA. The Fund is highly aligned with FMO's strategy to support initiatives relating to distributed energy. The investment is expected to have a positive economic, social and environmental impact. FMO's Green and Reducing Inequality labels apply (100%), given Nithio's inclusive and green activities.

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.

- Nithio Finance Inc. (Financial Intermediary)

Private Actors Description

As stated by the FMO, Nithio FI B.V. (Nithio) is an open-end debt fund, managed by Nithio Finance Inc. The Fund is operational since 2021 and finances energy access companies in Sub-Saharan Africa (primarily PAYGO solar). Nithio uses a machine learning based tool to standardize credit risk assessment by predicting credit risk at household level, allowing it to finance smaller (locally owned) borrowers in an efficient manner.

Contact Information

Financial Intermediary - Nithio Finance Inc.:

Address: 700 K St NW, Washington, DC 20001
Email: info@nithio.com
Website: https://nithio.com/

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

- DFC-2021-NITHIOFIBV Nithio FI B.V.