

 Early Warning System

FMO-64217

Zembo SAS



Quick Facts

Countries	Uganda
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-04-09
Borrower	Zembo SAS
Sectors	Energy, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 1.00 million



Project Description

According to the Bank's website, FMO provides a loan equivalent of up to USD 1 million to the Borrower (the "FMO Loan"). The FMO Loan finances the acquisition of batteries and chargers, while the acquisition of the corresponding motorcycles is primarily financed through other financing solutions. The increasing capital expenditure requirement associated with the sale of the E-boda bodas warrant a scalable and milestone-based pilot debt facility. This transaction qualifies as 100% Green and Reducing Equalities.

E-boda bodas address the lack of access to affordable public transport and are key to reducing pollution, congestion, and noise resulting from significant urbanization and population growth in Uganda. The FMO Loan enables the provision of affordable E-boda bodas to the Ugandan market and is fully aligned with FMO's strategy.

The FMO Loan supports affordable, non-polluting transport. Even with a higher upfront cost, and assuming no residual value, E-boda bodas are estimated to be more cost-effective than Internal Combustion Engine boda bodas ("ICEs") due to fuel and maintenance savings.



Early Warning System Project Analysis

The investment is categorized as B due to limited environmental and social ("E&S") risks and impacts. Key risks relate to health and safety (primarily of E-boda boda drivers) and pollution prevention (primarily battery waste). Zembo provides safety equipment and health and safety ("H&S") training to its drivers. As Zembo retains ownership of the batteries under its swapping model, the second-life and end-of-life applications remain under direct company management to ensure safe battery recycling.

As part of its reporting obligations, Zembo is required to report on E&S (primarily H&S) and impact indicators, in line with current investor reporting requirements.



Investment Description

- Netherlands Development Finance Company (FMO)

A loan equivalent of up to USD 1 million.

Funding: Building Prospects



Private Actors Description

Zembo SAS, a holding company established in France and founded in 2018, sells electric motorbikes (“E-boda bodas”) in Uganda through its wholly owned subsidiary, Zembo Motorcycles SMC Ltd (“Zembo UG”). Zembo sells electric motorcycles to drivers, either directly or through third parties, and provides a battery swap (battery-as-a-service, “BaaS”) solution through a network of 29 battery-swap stations. At these stations, drivers exchange discharged batteries for fully-charged batteries and pay for the energy consumed. Zembo has 75 employees, primarily in the main operational offices in Uganda, including staff across its battery-swap station network.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Zembo SAS	Client	-



Contact Information

<https://www.zem.bo/>

No contacts available 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>