

 Early Warning System

FMO-64622

FCC Securities B.V.



Quick Facts

Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-10-31
Borrower	FCC Securities B.V. (Frontclear)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 30.00 million
Project Cost (USD)	\$ 50.00 million



Project Description

According to the Bank's website, the USD 50mIn senior loan facility includes a USD 20mIn uncommitted tranche. The Funding objective is to add to the product set of Frontclear, by allowing them to fund smaller transactions and add to their existing product suite of guarantee products.

The investment allows Frontclear to enhance its product suite and customer reach, enabling it to be more efficient and to continue supporting the development of more inclusive and more liquid interbank markets in emerging and frontier economies. Frontclear is a niche-player with a unique proposition that has proven to be scalable. In the ten years of operations, Frontclear has extended its reach to multiple countries across emerging and developing markets. Frontclear's product offering is also complementary to FMO since it is highly beneficial to many of our financial institution clients: whereas DFIs provide long-term financing, Frontclear offers short-term money market solutions. It will receive 100% Reducing Inequalities label, due to its expected increase in exposure to LDC markets.



Early Warning System Project Analysis

Frontclear has been categorized as FI-B, in line with FMO's policy. The categorization reflects the FI's business activity which includes credit guarantees and secured funding for money market instruments to Emerging Markets and Developing Countries' financial institutions (EMDC-FI). As part of the investment, FMO is working with Frontclear to ensure that E&S risk management is tailored to the services it offers and to its E&S risk exposure.



Investment Description

- Netherlands Development Finance Company (FMO)

Total FMO financing: USD 30.00 MLN

Funding: FMO NV

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.

- [Frontclear](#) (Financial Intermediary)



Private Actors Description

Frontclear is an Amsterdam-based financial markets development company that facilitates access for financial institutions in developing countries to local and global interbank markets through the provision of secured funding and credit guarantees to cover counterparty credit risk. Frontclear is part of Cardano Development – a group focusing on developing innovative financial risk management solutions, also involved in, among others, the TCX and GuarantCo funds. Frontclear's investors include a number of European development finance institutions, including the European Bank for Reconstruction and Development (EBRD), Proparco, The Currency Exchange Fund (TCX), as well as the UK Department for International Development (DFID, through the Financial Sector Deepening Africa) and German Federal Ministry for Economic Cooperation and Development (BMZ).



Contact Information

Website customer/investment: <https://frontclear.com/>

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>