

 Early Warning System

FMO-64714

East Africa Growth Holding



Quick Facts

Countries	Kenya
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2024-12-20
Borrower	I&M Group Plc
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 10.00 million



Project Description

According to the Bank's website, I&M Group Plc has the ambition to achieve a higher market share in the retail and MSME segments with focus on under penetrated markets.

The role of FMO will be to share its sectoral expertise and possibly catalyze new market entries. Furthermore, FMOs financing will be key to providing primary growth capital for the company's organic and external growth plans. Additionally, FMO can deepen its existing ESG engagements currently in place at the subsidiary level.

The transaction is expected to result in: (i) improving access to finance for MSMEs and local corporates that play an important role in job creation and wider economic development, (ii) further supporting the Group digital transformation project, (iii) enable the Group to sustainably expand its reach to under-penetrated segments (e.g., MSMEs and agri-business).



Early Warning System Project Analysis

The project has been categorized as E&S Category A, in accordance with FMOs Sustainability Policy - as I&M Group is serving MSME clients and in high risk sectors. While the direct E&S risks to this type of business largely relate to labor conditions and health and safety, the indirect risks include the E&S impact of underlying SME clients to whom the I&M Group lends to.



Investment Description

- Netherlands Development Finance Company (FMO)

Total FMO financing: USD 10.00 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.

- [I&M Group Plc](#) (Financial Intermediary)



Private Actors Description

I&M Group Plc is a banking group headquartered in Kenya, operating commercial banks in Kenya, Tanzania, Rwanda, Uganda, and Mauritius (through a Joint Venture). The Group provides several ancillary financial services such as insurance brokerage, financial advisory, and wealth management. I&M (Investments & Mortgages) was launched in Kenya in 1974 and converted into a commercial bank in 1996. The Group serves 600,000 clients and has a strong market reputation, especially in its flagship markets of Kenya and Rwanda. It currently has a loan portfolio of approximately USD 2.2 billion and deposits of USD 3.1 billion.



Contact Information

<https://www.imbankgroup.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>