Early Warning System

IDBI-12132-02

Finabank Equity

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Quick Facts

Countries	Suriname
Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	B
Voting Date	2019-12-10
Borrower	FinaBank N.V.
Sectors	Finance
Investment Type(s)	Equity
Investment Amount (USD)	$ 3.00 million

Project Description

The project's main objective is to support the growth of Finabank's loan portfolio in Suriname by strengthening its capital. The idea is to consolidate a financial institution in the Caribbean that can facilitate loan access for private companies in an environment where financial options are limited, especially for medium-and long-term needs.

Established in 1991, Finabank operates in several areas of the commercial and retail banking sector, offering a wide range of products and financial services. Finabank's main focus has been to stay actively involved in client needs and offer customized financial services and products in order to create long-lasting partnerships.

People Affected By This Project

No.

TASK

ACTION

DELIVERABLE

COMPLETION DATE

1

Implement IDB Invest's exclusion list

Ensure the inclusion of all activities on IDB Invest's exclusion list to the Finabank's exclusion list.

Updated exclusion list.

Prior to financial closure (sign credit agreement).

2

Strengthen existing policies

Together with an independent consultant, develop an Environmental and Social Management System (ESMS) that follows IFC's Performance Standard 1 guidelines. These should include: i) Environmental and social policy, ii) Internal organizational capacity, iii) Environmental and due diligence processes/procedures in identifying risks and impacts, iv) Portfolio monitoring and supervision, v) External communication procedure.

Environmental and Social Management System (ESMS). Proof of personnel training.

9 months after financial closure.

3

Capacity building and training

Together with an independent consultant, train personnel responsible for implementing the ESMS on ESA requirements of national laws and the implementation of IFC's performance standards (PS). Ensure that all new personnel receive the same training.

ESA training certificate for the personnel responsible for implementing the ESMS, as well as proof of ESA training for new personnel.

12 months after financial closure. And every time new personnel responsible for implementing the ESMS is incorporated.

4

Strengthen internal grievance procedure

Strengthen the current procedure by including the following aspects: i) record grievances, ii) assess the issues discussed and determine how to address them, iii) provide, document and monitor responses, iv) supplement the ESMS as required.

The grievance procedure must be disclosed to all employees, including indirect employees, in a clear and comprehensive manner.

Internal Grievance Mechanism. Evidence of internal socialization.

Investment Description

- IDB Invest (IDBI)

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.

- FinaBank N.V. (Financial Intermediary)

Contact Information

ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

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