

 Early Warning System

IFC-38024

BFL Loan



Quick Facts

Countries	Laos
Financial Institutions	International Finance Corporation (IFC)
Status	Completed
Bank Risk Rating	B
Voting Date	2016-05-10
Borrower	BANQUE FRANCO-LAO LTD
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 15.00 million
Loan Amount (USD)	\$ 15.00 million
Project Cost (USD)	\$ 15.00 million



Project Description

According to IFC website, the Project consists of a senior loan of up to US\$15 million to be provided to the Banque Franco-Lao Ltd. with a up to 7-year maturity in order to support the Bank to further extend loans to the SME sector in Lao PDR. The project is expected to:

1. Increase access to credit for SMEs and individual clients in Laos where banking penetration is still very low.
2. Demonstration effect: this will be the second loan of IFC in a commercial bank in Laos thus far and provide a role model for commercial banks keen to strengthen their corporate governance and better serve their customers and save cost.



Investment Description

- International Finance Corporation (IFC)

BFL has two shareholders: French bank BRED Banque Populaire (“BRED”) holding 54% stake and Banque Pour le Commerce Exterieur Lao (“BCEL”) holding 46% stake.

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.

- [Banque Franco-Lao Ltd.](#) (Financial Intermediary)



Private Actors Description

The Banque Franco-Lao Ltd. has two shareholders: French bank BRED Banque Populaire holding 54% stake and Banque Pour le Commerce Extérieur Lao holding 46% stake. It provides personal and corporate banking services. Its personal banking services include current accounts, saving products, credits and loans, debit cards, and BFL VISA international debit cards; and corporate banking services include current accounts, saving products, credits and loans, debit cards, Internet banking, money transfer, and IFC loan programs.



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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>