Early Warning System

IFC-41133

Co-op Bank III

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Quick Facts

Countries	Kenya
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	U
Voting Date	2018-03-29
Borrower	THE CO-OPERATIVE BANK OF KENYA LIMITED
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Amount (USD)	$ 150.00 million

Project Description

The Project comprises of a senior loan of US$150 million to The Co-operative Bank of Kenya Limited (“Co-op” or the “Bank”) to help strengthen the Bank’s long-term funding position and enable it to expand its lending operations to the underserved micro small and medium enterprises (MSMEs) segment in Kenya.

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Investment Description

- International Finance Corporation (IFC)

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.

- The Co-operative Bank of Kenya Limited (Financial Intermediary) **is owned by** Co-operative Bank of Kenya (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

Established as a co-operative in 1965, Co-op has over the years grown to become Kenya’s 3rd largest bank in terms of assets, and the largest bank in terms of number of clients. The Bank is listed on the Nairobi Securities Exchange, and has a substantial nationwide presence within and outside key cities through its network of 149 branches, 580 ATMs, and over 10,000 banking agents, serving 6.53 million customers as at September 30, 2017.

Co-op’s largest shareholder is Co-op Holdings Co-operative Society Limited (“ Co-op Holdings) which holds a 64.56% stake in the Bank on behalf of over 3,800 co-operative societies and unions.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Cooperative Bank	Client	-

Contact Information

Co-operative Bank of Kenya Limited
Dr. Gideon Muriuki, CBS
Group Managing Director
+254 020 327 6000

P.O. Box 48231 - 00100
https://www.co-opbank.co.ke

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/

Bank Documents

- Project Information