Early Warning System

# IFC-44168

## I&M Bank Kenya -Tier II Sub-Loan

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### Quick Facts

| | |
|---|---|
| **Countries** | Kenya |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Active |
| **Bank Risk Rating** | B |
| **Voting Date** | 2021-03-31 |
| **Borrower** | I&M Bank Kenya |
| **Sectors** | Finance |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 30.00 million |
| **Loan Amount (USD)** | $ 30.00 million |

## Project Description

According to the IFC, the Project consists of a $50 million Tier 2-qualifying subordinated loan to I&M Bank Limited, Kenya, I&M Holdings Plc's largest subsidiary. To meet the Central Bank of Kenya's Tier 2 capital requirements, the facility will have a maturity of up to 7 years, with a 5-year grace period. The proposed investment will provide I&MK with a subordinated loan that will qualify as tier 2 capital under Kenyan law, enhancing the Bank's capitalization and allowing it to finance its lending operations to small and medium enterprises (SMEs).

## Investment Description

- International Finance Corporation (IFC)

According to the IFC,  the proposed IFC investment is a subordinated loan of up to US$50 million with a tenor of 7-years with a 5-year grace period.

## 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 Bank Kenya (Financial Intermediary)

### Private Actors Description

According to the IFC, I&M Bank Limited is a wholly owned subsidiary of I&M Holdings Plc (or the “Group”). I&MH is a regional banking group headquartered in Nairobi and listed on the Nairobi Securities Exchange. The Group is a key strategic partner for IFC in East Africa with a significant footprint across the region and subsidiaries in Kenya, Tanzania, Rwanda, Uganda, and Mauritius. With a balance sheet size of c.US$2.5 billion, I&MK is the 9th largest bank by total assets and a leading lender to the trade and manufacturing sectors, critical to Kenya's economic prosperity.

## Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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