

 Early Warning System

IFC-47741

FHF TZS loan



Quick Facts

Countries	Tanzania
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	C
Borrower	FIRST HOUSING FINANCE (TANZANIA) LIMITED
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 2.00 million
Project Cost (USD)	\$ 10.00 million



Project Description

According to the Bank's website, the proposed investment Project entails a senior secure TZS-linked loan to First Housing Finance (Tanzania) Limited (FHF or the Company) in Tanzania. IFC will also mobilize additional funding from a parallel lender and provide a client risk management (CRM) swap to hedge foreign exchange rate risk. The Project seeks to mobilize funding to support FHF's housing finance lending and strengthen its long-term funding profile. The Project will be supported by the IDA20 Private Sector Window Local Currency Facility (IDA PSW LCF).



Early Warning System Project Analysis

The project is categorized as FI-3 according to IFC's Policy on Environmental and Social Sustainability. The Project will support the Company's housing mortgage financing to individuals in Tanzania. Lending activities to be supported by the Project have no adverse environmental or social impacts. IFC's investment will not be used to support any coal-related activities or any activities that may include: (a) involuntary resettlement; (b) potential adverse impacts on Indigenous Peoples; (c) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage; or (d) significant occupational health and safety risks.



Investment Description

- International Finance Corporation (IFC)

The Project involves a 7-year TZS-linked senior secured loan of US\$2 million from IFC's own account and a CRM swap on a US\$10mn loan from parallel lenders to hedge foreign exchange rate risk.

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.

- [First Housing Finance \(Tanzania\) Ltd.](#) (Financial Intermediary)



Private Actors Description

First Housing Finance - FHF commenced operations in October 2017 as the first dedicated mortgage finance institution in Tanzania. Azania Bank is the largest shareholder with a 40% shareholding in FHF. Other shareholders include HDFC Bank Limited (15%), IFC (15%), Mr. Sanjay Suchak (15%) and Armut Limited (15%).



Contact Information

First Housing Finance Limited

Amulike Kamwela

CFO & Company Secretary

+255 752 817002

amulike.kamwela@firsthousing.co.tz

19 Barack Obama drive, Dar Es Salaam, Tanzania

<https://firsthousing.co.tz/>

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>