

 Early Warning System

IFC-48552

MFP BOP Afriland Cameroon



Quick Facts

Countries	Cameroon
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-01-02
Borrower	AFRILAND FIRST BANK
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 20.00 million
Project Cost (USD)	\$ 60.00 million



Project Description

According to the Bank's website, the project consists of an unsecured senior loan of up to US\$60 million equivalent in EUR with a maturity of up to 5 years, and up to 12 months grace period, of which IFC's own account ("O/A") is US\$20 million and the remaining US\$40 million is mobilized from other lenders to Afriland First Bank Cameroon, an existing IFC client and the largest bank in Cameroon. The senior loan is intended to provide the Bank access to long term funding, to help scale up lending to small and medium enterprises ("SMEs"), in Cameroon, with a minimum of 25% targeting women-owned enterprises ("WSMEs").



Early Warning System Project Analysis

The project consists of a senior loan to Afriland First Bank (AFB). The Project aims to increase AFB's lending to micro, small and medium enterprises ("MSMEs"), including at least a 25% carve-out for women-owned enterprises ("WMSMEs"). The Bank indicated exposure to sectors such as agro-pastoral activities, construction, energy, financial activities and insurance transport, telecommunications. The E&S risks and impacts associated with the supported MSME activities are considered limited and readily addressed through established mitigation measures. These risks are typically associated with occupational health and safety, waste and hazardous waste management, and air emissions, among others. The labor practices at AFB are generally aligned with IFC Performance Standard 2: Labor and Working Conditions. However, the bank will have to develop employee grievance mechanism. The overall portfolio risk is considered medium. For this investment, the Bank will be required to screen eligible MSME loans against the IFC Exclusion List and Cameroon environmental and social laws and regulations. The Project has been categorized as FI-2 in accordance with IFC's Sustainability Policy.

The Project will not support coal-related activities, IFC Exclusion List or higher risk business activities that may include: a) involuntary resettlement, b) risk of 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 proposed investment includes a senior loan facility of up to US\$60 million equivalent in EUR, where IFC's O/A is US\$20 million and the remaining US\$40 million is expected to be mobilized from other lenders.

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.

- [Afriland First Bank](#) (Financial Intermediary)



Private Actors Description

Afriland First Bank started its operations in 1986 as a limited liability company with a share capital of XAF300 million. It later obtained its commercial banking license in Cameroon in 1987 under the name Caisse Commune d'Epargne et d'Investissement ("CCEI") with the intention to mainly meet the needs of the informal SME segment of Cameroon and to foster local entrepreneurship as an engine for economic growth. CCEI Bank became Afriland First Bank in 2002 and today boasts of a network of 85 branches across all regions in Cameroon servicing more than 650,000 customers. The Bank is majority-owned by Afriland First Group (73.86%) – a bank holding company headquartered in Geneva, Switzerland, followed by Mr. David Tiofo – a Cameroonian businessman (7%), with the remaining 19.14% owned by individuals with less than 5%.



Contact Information

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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>