

 Early Warning System

IFC-49914

SLGP Rawbank Agri SME



Quick Facts

Countries	Congo, Democratic Republic of
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-12-13
Borrower	Rawbank DRC RSF
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 50.00 million



Project Description

According to the Bank's website, the proposed project consists of an unfunded Risk Sharing Facility (RSF) of up to US\$50 million to Rawbank ("RB" or the "Bank") in the Democratic Republic of Congo (DRC). The proposed investment will be processed under the Small Loan Guarantee Program ("SLGP"), a programmatic approach to risk sharing which aims to enhance and strengthen the capacity of financial institutions for risk taking and financing of SMEs in eligible countries and is supported by the European Commission and the International Development Association (IDA19) Private Sector Window Blended Finance Facility. IFC will guarantee 50% of the Bank's credit risk on a US\$100 million portfolio of eligible Micro, Small, and Medium Enterprises (MSMEs) credit facilities including a US\$10 million portfolio of eligible Agri SME loans. The SLGP RSF aims to support the Bank's financing program to SMEs including agri-based SMEs in DRC.

Additionally, the Project is expected to be supported by the Global SME Finance Facility ("GSMEF"), subject to achieving agreed targets, in the form of a performance-based incentive ("PBI") of up to US\$0.6 million to incentivize the Bank's lending to Women-owned SMEs ("WSMEs").



Early Warning System Project Analysis

The project consists of an RSF, under the SLGP to guarantee a portfolio of SMEs with a carveout for Agri SMEs. The Bank's current SME portfolio includes exposures to sectors such as commerce, agriculture, and construction and transportation. As such, the portfolio supported under the RSFs is expected to comprise business activities with limited adverse environmental and social risks or impacts that are few in number, generally site-specific, largely reversible and readily addressable through mitigation measures. As part of the project, the Bank will be required to screen eligible SMEs against the IFC Exclusion List and national E&S laws and regulations in DRC. The project will not support coal related activities, mining activities and Higher Risk Transactions that may include: a) involuntary resettlement, b) risk of adverse impacts on Indigenous Peoples, c) significant risks to or impacts on environment, community health and safety, biodiversity, cultural heritage, or d) significant Occupational Health and Safety risks.

The main E&S risks and impacts of this project relate to the ability of the Bank to identify and manage the potential E&S risks and impacts associated with the lending activities to SMEs, as well as the bank's labor practices. The E&S risks and impacts associated with SME activities are typically low to medium environmental and social risks such as waste management, pollution prevention, labor and working conditions and occupational health and safety, etc.



Investment Description

- International Finance Corporation (IFC)

The Project consists of an RSF of up to US\$50 million to Rawbank to support the Bank's financing program to SMEs, including agri SMEs. This includes financing for growth capital expenditures and working capital. The DRC is classified as a low-income country (LIC) and a fragile and conflict-affected situation (FCS) country by IDA.

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.

- [Rawbank SA](#) (Financial Intermediary)



Private Actors Description

Rawbank is the largest bank in DRC, with a balance sheet of US\$5.5 billion as of June 2024 and a market share of 29% based on total assets. The Bank is majority-owned by the Rawji family and operates exclusively in DRC. Rawbank is owned by: RawHolding, S.A. (94.2%), Minzoto Holding (5%), and Other Shareholders (0.8%). RawHolding S.A. Composition (with 20% each): (1) Mr. Mazhar Rawji, (2) Mr. Musthaque Rawji, (3) Mr. Murtaza Rawji, (4) Mr. Aslam Rawji, and (5) ZMR Holdings Ltd, held by Mr. Ali Rawji, Mr. Azhar Rawji, and Mr. Adnan Rawji.



Contact Information

Rawbank
Laurence Feza
Head of DFI
+243996016300
laurence.feza@rawbank.cd
12/66 crossing of avenues Katanga and Colonel Lukusa, Kinshasa, DRC
rawbank.com

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>