

 Early Warning System

AFDB-P-MZ-HAB-004

Mozambique - Line of Credit to "Banco Comercial E De Investimentos  
S.A. (BCI)"



## Quick Facts

|                                |   |
|--------------------------------|---|
| <b>Countries</b>               | Mozambique                              |
| <b>Financial Institutions</b>  | African Development Bank (AFDB)         |
| <b>Status</b>                  | Approved                                |
| <b>Bank Risk Rating</b>        | F1                                      |
| <b>Voting Date</b>             | 2019-07-15                              |
| <b>Borrower</b>                | Banco Comercial e de Investimentos S.A. |
| <b>Sectors</b>                 | Finance                                 |
| <b>Investment Type(s)</b>      | Loan                                    |
| <b>Investment Amount (USD)</b> | \$ 30.00 million                        |



## Project Description

According to bank documents, the proposed project is for a thematic Line of Credit (LOC) of up to USD 30 million to Banco Comercial e de Investimentos S.A. (BCI) in Mozambique to support industrialization and agriculture business projects as well as Small and Medium-Sized Enterprises (SMEs) and women-owned as well as youth enterprises in Mozambique to stimulate inclusive economic growth of the country. BCI is one of the most-established and largest financial institutions in Mozambique with a domestic market share of 29.3% in terms of loans and advances at the end of December 2018. It was established in 1996 as an investment and corporate bank and expanded successfully in Mozambique. As the largest bank in the country, it plays a leading role to help key sectors and SMEs. The Bank's support provides considerable financial additionality to improve the BCI's balance sheet structure, which also enhances stability of the financial sector. This project is also complimentary to other Bank's projects in the public sector including infrastructure and agriculture projects. As part of the package, the Affirmative Finance for Women in Africa (AFAWA) Initiative will provide technical assistance to support capacity building, business development and lending by BCI to women-empowered enterprises.

The Bank's long-term funding will support BCI's loan portfolio growth in key sectors such as industries (light manufacturing, construction materials, transport/logistics) and agriculture businesses to promote industrialization in Mozambique. The proposed project will support export oriented sectors (sugar, palm oil, etc.) as well as import-substitution sectors (e.g. processed food) which will improve the shortage of USD liquidity in the economy.



## Investment Description

- African Development Bank (AFDB)

## 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.

- [Banco Comercial e de Investimentos](#) (Financial Intermediary)



## Contact Information

*\*Contact information not provided at the time of disclosure\**

## ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing [crmuinfo@afdb.org](mailto:crmuinfo@afdb.org), [b.kargougou@afdb.org](mailto:b.kargougou@afdb.org), [b.fall@afdb.org](mailto:b.fall@afdb.org), and/or [s.toure@afdb.org](mailto:s.toure@afdb.org). You can learn more about the IRM and how to file a complaint at <https://www.afdb.org/en/independent-review-mechanism/>.



## Bank Documents

- [psn mozambique banco comercial](#) [Original Source]