Setting the stage –
the FMO perspective
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FMO at a glance

AGRIBUSINESS, FOOD & WATER
- Inputs, services & water
- Primary production: Farming/Growers
- Primary production: Mills, Aggregators
- Primary processor or Wholesale trader
- Food Manufacturer
- Warehousing Logistics & Distribution

ENERGY
- Wind
- Solar
- Hydro (run-of-the-river)
- Off-grid solutions
- Geothermal
- Transmission & distribution

FINANCIAL INSTITUTIONS
- (universal/ SME) banks
- Microfinance
- Insurance companies
- FinTech

DUTCH BUSINESS
- Project & partnership development
- Export & investment solutions
- Demand-driven approach
- Broad sector mandate, including health, water, agribusiness
Our investment process

Environmental & Social risk management is incorporated in every step

1. CLIENT SELECTION
   Review E&S Policies

2. SCREENING
   Obtain ESIA, ESMP

3. DUE DILIGENCE
   Consultant review
   GAP Analysis – IFC PS

4. DECISION TO INVEST
   Internal Review

5. CONTRACTING
   E&S Clauses
   ESAP

6. DISBURSEMENT
   E&S Conditions for Disbursement

7. MONITORING
   ESAP Implementation
   E&S Monitoring
   (Consultant)
Current Covid Situation

• FMO created guidelines for our virtual due diligence in these Covid travel restriction times. Main elements:
  • Virtual DD – still always get sufficient insight to make a responsible investment decision
  • We can rely on trusted partners
  • In-depth background checks - Existing clients are a bit easier to assess than new clients
  • Consultants instead of own visit – local consultants associated with international consultant
  • No-go’s: material risks expected but still unknowns – conflict context – labor conflicts – human rights abuses – large resettlement – PS 7 (Indigenous Peoples) triggered

• EDFIs have harmonized set of standards (but not the no-go list)

• Experiences of COVID in construction projects – mainly delays (related to equipment imports, delayed arrival of technical specialists, etc)
Current Covid Situation (2)

• E&S: More reliance on local consultants – necessity to reinforce local capacity - EDFI concept note to develop that - example training west Africa IFC PS – other parties as well –> coordination?

• What we did for clients with struggling impacts of Covid - CD projects – webinars to share good practices – Covid 19 guidance for clients – address retrenchments / job protection – support H&S protection materials support to communities
Drone Footage

2:00 – 2:40

• Recent experience – 40 second drone footage for Consorcio Eolico Amayo wind project - Nicaragua
  • What you can – and cannot do with drone footage

Drone footage courtesy of
Inkia Energy and
Terra Consulting
Thank you

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