Enabling policies for financing Energy Efficiency investments
April 2014

Presented by Antoine Zarifeh
OVERVIEW

- About FRANSABANK
- Eco- friendly loan
- Process Flow
- Advertising
Fransabank is registered no 1 on the list of banks operating in Lebanon.
It was established in 1921.
Shareholding Structure

- ADNAN KASSAR 39.50%
- ADEL KASSAR 39.50%
- Deutche investitions-und 5%
- Al Fadel holdings limited-Kingdom of Saudi Arabia 2.70%
- The public institution for social security- Kuwait 2%
- Others 11.30%

Total Shareholding 100%
International Expansion in 9 countries

- Lebanon
- France
- Algeria
- Syria
- Sudan
- Belarus
- Libya
- Cyprus
- UAE
- Iraq

Fransabank Group

Largest Branch network in Lebanon

116 Branches

- 27 in Beirut
- 41 in Mount Lebanon
- 17 in Northern Lebanon
- 12 in Southern Lebanon
- 10 in the Bekaa Region
- 7 branches temporarily closed
# Ranking within Alpha Group (Banks with customers’ Deposits ≥ US 2 billions)

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<tbody>
<tr>
<td>Number of branches in Lebanon</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
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<td>1st</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
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<tr>
<td>Net Loans &amp; Advances to Customers</td>
<td>7&lt;sup&gt;th&lt;/sup&gt;</td>
<td>6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>3rd</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
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<tr>
<td>Total Assets</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>4th</td>
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<tr>
<td>Customers’ Deposits</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>Net Profits</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
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</tbody>
</table>
| Shareholders’ Equity                    | 5<sup>th</sup> | 4<sup>th</sup> | 5<sup>th</sup> | 4<sup>th</sup> | 4<sup>th</sup> | 4th | 4<sup>th</sup>

Tunis - 2014
ECO- FRIENDLY LOAN
PRODUCT FEATURES
ECO- FRIENDLY LOAN

Eligibility:

➢ Energy field projects:
  • Energy Efficiency or **how to conserve energy**
  • Renewable Energy or **how to produce energy**

➢ Non- Energy field projects:
  • Landscaping
  • Eco-Tourism
  • Recycling
ECO-FRIENDLY LOAN

ELIGIBLE SECTORS:

• Subsidized sectors:
  – Agriculture
  – Tourism
  – Industry

• Non Subsidized sectors:
  – Trade
  – Hospitalization
  – Education
## ECO-FRIENDLY LOAN Terms

<table>
<thead>
<tr>
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<th>Non-Subsidized</th>
<th>Subsidized</th>
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</thead>
<tbody>
<tr>
<td><strong>Type of project</strong></td>
<td>Energy &amp; Non-Energy</td>
<td></td>
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<tr>
<td><strong>Loan Currency</strong></td>
<td>LBP &amp; USD</td>
<td></td>
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<tr>
<td><strong>Loan Amount</strong></td>
<td><strong>Min</strong> LBP 30 Million or c/v USD</td>
<td><strong>Max</strong> case by case basis</td>
</tr>
<tr>
<td><strong>Loan Tenor</strong></td>
<td><strong>Min</strong> 2 years</td>
<td><strong>Max</strong> 10 years</td>
</tr>
<tr>
<td><strong>Grace Period</strong></td>
<td><strong>Min</strong> 6 months</td>
<td><strong>New Project</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Max</strong></td>
<td>4 years added to loan tenor</td>
</tr>
<tr>
<td></td>
<td><strong>Existing</strong></td>
<td><strong>Max</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2 years within loan tenor</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Energy</strong></td>
<td>LBP 1st 7 years 3%-50% TB(1Y) Cur. 3%</td>
<td>TB(2Y) Cur. 5.84%</td>
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<td></td>
<td>After</td>
<td>TB(2Y) - 2.5% Cur. 3.34%</td>
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<td></td>
<td>USD 1st 7 years COF+2%-50%TB(1Y) Cur. 2.18%</td>
<td>Libor (3M) + 6% Cur. 6.27%</td>
</tr>
<tr>
<td></td>
<td>After</td>
<td>Libor (3M) + 2.5% Cur. 2.77%</td>
</tr>
<tr>
<td><strong>Non-Energy</strong></td>
<td>LBP 1st 7 years 3%</td>
<td>SAME as Energy</td>
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<td>After</td>
<td></td>
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<td>USD 1st 7 years COF+2% Cur. 4.86%</td>
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ECO- FRIENDLY LOAN
“SOLAR SYSTEM LOAN”

Terms and conditions:

- Loan amount: up to LBP 7.5 Million
- Interest rate: 0%
- Repayment period: 60 months
- Exemption from file fees
- Financing amount covering 100% of the loan amount including system’s installation fees.
<table>
<thead>
<tr>
<th>NATURE OF PROJECT</th>
<th>LEVEL OF CLASSIFICATION</th>
<th>ECO-FRIENDLY PART</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW</td>
<td>Uncertified</td>
<td>15% of project’s value</td>
</tr>
<tr>
<td></td>
<td>Certified</td>
<td>15% of project’s value</td>
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<tr>
<td></td>
<td>Silver</td>
<td>25% of project’s value</td>
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<tr>
<td></td>
<td>Golden</td>
<td>35% of project’s value</td>
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<tr>
<td></td>
<td>Platinum</td>
<td>45% of project’s value</td>
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<tr>
<td>EXISTING</td>
<td>Categorized or Uncategorised</td>
<td>Eco-Friendly value</td>
</tr>
</tbody>
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GRANT

• The Central Bank of Lebanon, in cooperation with the European Union, offers a grant to SME’s with:

• **Loan Amount**: not exceeding LBP 1.500 Billion or c/v USD

• **Eligible project**: Energy power supply field

• **Type of loan**:
  - *For Subsidized Loans*:
    - 5% of the value of the Loan amount
  - *For Non Subsidized Loans*:
    - 15% of the value of the Loan amount
Terms and conditions:

• Loan amount: Up to LBP 30,000,000
• Loan Tenor: Up to 10 years in addition to 1 year grace period
• Currency: LBP
• Interest rate: 0.75%(as per BDL circular 313)
• File Fees: None
The Client To Submit
- Credit Application/Documents
- Technical Study
  (Form developed by LCEC)

The Bank Works On
- Due Diligence
- Study and Sanctioning

File

- LCEC Validates Technical Part

The Bank Sends to Central Bank
- Contract /Feasibility
- Technical Study

Loan Disbursement Straight to the Supplier

Approval of Central Bank

Central Bank Assess Eligibility

Client

Tunis-2014
Advertising Campaigns
خلي قلبك على الأرض وفاتورتك بالأرض
ENERGY IS POWER, SAVE IT!
القرض الصديق للبيئة، بيت على طبيعتنا

 القرض الصديق للبيئة، بيت على طبيعتنا

 Tunis - 2014
Save on money and the environment!

حافظ على مصروفك وعلى الطبيعة
بيت بيحافظ عالبيئة وعالجبية كمان!
Fransabank participated at the Business Opportunities in Lebanon 2014 Forum Entitled “Sustainability under Crisis”
Thank You!