

## **\$500M Fund for Local Businesses to help Tackle Economic Crisis in Lebanon**

- **Lebanon is facing economic collapse, with unemployment and inflation at record levels**
- **Global impact firm Palladium, its asset management arm Bamboo Capital Partners, and economic empowerment platform, Cedar Oxygen, have teamed up to develop the \$500M Lebanon Economic Empowerment Fund (LEEF)**
- **LEEF will provide much-needed credit to help local businesses improve their competitiveness, maximise production, and create jobs - bolstering the nation's "real economy"**

23 November 2021

Palladium with its asset management arm, Bamboo Capital Partners, and Cedar Oxygen, a group of private Lebanese investors, today are announcing their strategic partnership to develop the Lebanon Economic Empowerment Fund (LEEF) to effectively assist private-sector companies, specifically small and medium sized enterprises (SMEs) in Lebanon during its ongoing financial crisis.

The parties have signed a strategic agreement to design, structure and launch LEEF to provide economic relief and support the recovery of the Lebanese private sector with a focus on sectors targeting the primary needs of households and supporting employment and value creation in the country.

Undertaken in the midst of one of the world's worst economic challenges, the LEEF partnership will provide debt capital exclusively to qualified privately-owned Lebanese businesses to bolster the nation's "real economy". Given Lebanon's unemployment, hyper-inflation which is depleting purchasing power and frequent shortages exacerbating already pressing business conditions, LEEF will provide much needed credit facilities to help these businesses improve their competitiveness, maximize production and job creation. The Fund will primarily focus on the productive, value-added sectors of the economy with a future focus on the sustainability transition. LEEF will be managed by the highest standard of KYC/AML compliance and transparency.

Together with Palladium, a global leader in economic development consulting and advisory, with significant direct work experience in Lebanon, as well as Bamboo Capital's investment expertise in the Lebanese microfinance sector, the LEEF partnership seeks to harness the financial resources of Development Finance Institutions and the Lebanese diaspora to support Lebanese SMEs during this unprecedented crisis. Palladium, Bamboo and Cedar Oxygen will jointly develop and manage the new Fund that will be established in Luxembourg. The fresh equity raised in the fund will benefit from an existing pool of debt capital and provide targeted credit to eligible borrowers.

Cedar Oxygen was established in 2020 as a private and independent initiative to address the pressing social and economic difficulties of the Lebanese manufacturers. The group provides trade finance lending, capital expenditure facilities and loans for the purchase of renewable energy technologies to eligible Lebanese industrialists and focuses their efforts on making the maximum positive social impact.

Palladium with its asset management arm, Bamboo Capital Partners, have worked for nearly 60 years with corporations, governments, investors and communities to deliver positive impact projects and funds in over 90 countries. The company boasts a track record of successfully implementing projects covering a broad spectrum, from development finance and impact investment to humanitarian aid and logistics, infrastructure, and corporate consulting. Palladium designs innovative solutions and business incubators and accelerators in the world's most challenging contexts to develop economic corridors and bring blended finance and innovative access to capital.

The new Fund is expecting to source a total of \$500m to grow its loan portfolio and reach the maximum number of Lebanese borrowers who struggle to source credit in the midst of a prolonged banking crisis.

**Managing Partner of Cedar Oxygen, Alexandre Harkous**, explained that "the Cedar O2 team is hugely excited about our strategic partnership with Palladium and Bamboo Capital Partners. I am convinced that we can make a large positive impact for Lebanon. Our partners, Palladium and Bamboo bring deep and vital knowledge of economic empowerment investing to Cedar Oxygen. Working as a team, we will bring together private investors and the development industry in support of our drive to help Lebanon." Harkous stressed that "Cedar Oxygen is providing necessary assistance to the private sector in Lebanon, who are in need of a new and trusted partner during the crisis."

**José María Ortiz, Managing Director of Palladium** said, "This is a logical next step in our ongoing commitment to support Lebanon and its people as they rebuild their economy. We've seen time and time again the difference an injection of capital can make for the private sector – imagine what it can do in the face of these unprecedented circumstances. Small businesses are the backbone of Lebanon's economy, and without them it will be nearly impossible for the country to bounce back stronger than before. We're proud to work with Bamboo Capital Partners and Cedar Oxygen to support Lebanese business owners to get back on their feet and make an impact in their communities."

**Jean-Philippe de Schrevel, Founder & Managing Partner of Bamboo Capital Partners** said, "This is both ground-breaking and vitally important in supporting business in Lebanon overcome some of the severe economic factors which are hindering growth. By focusing on small and medium sized companies, the Fund will deliver impact on the ground and quickly, bring economic and social benefits in the communities in which they operate."

**-ENDS-**

For more information: [www.cedaroxygen.com](http://www.cedaroxygen.com)

For media enquires please contact: [joelle@cedaroxygen.com](mailto:joelle@cedaroxygen.com)

### **About Cedar Oxygen**

Cedar Oxygen is an empowerment finance and technology platform established in May 2020 by an experienced team of Lebanese expat, US and EU financial services professionals and investors. Its sole purpose is to help alleviate the crisis in Lebanon by making available needed lending solutions to Lebanese industrialists, both importers & exporters. The group offers debt-based facilities to purchase raw materials, conclude capital expenditure projects, finance renewable energy technologies, and improve their business efficiency. Cedar Oxygen works in close partnership with the Association of Lebanese Industrialists, is a member of the Global Impact Investing Network (GIIN) and the platform is aligned with UN Sustainable Development Goals (UNSDG).

### **About Palladium**

Palladium is a global impact firm, working at the intersection of social progress and commercial growth. For nearly 60 years, the company has been helping clients to see the world as interconnected – by creating strategies, building partnerships, mobilising capital, and implementing programs that have a lasting social and financial impact. Palladium works with corporations, governments, investors, communities, and civil society. With a global network operating in over 90 countries, Palladium is in the business of making the world a better place. [www.thepalladiumgroup.com](http://www.thepalladiumgroup.com)

### **About Bamboo Capital Partners**

Bamboo Capital Partners ("Bamboo") is an impact investing platform which provides innovative financing solutions to catalyse lasting impact. Bamboo bridges the gap between seed and growth stage funding through a full suite of finance options – from debt to equity – which it activates unilaterally or through strategic partnerships. Founded in 2007 by Jean-Philippe de Schrevel, Bamboo aims to improve the lives of the world's most marginalized communities while delivering strong financial returns. Since its inception, Bamboo has raised over \$500m and invested in over 30 developing countries. Its investees have positively impacted over 193 million lives and supported over 48,000 jobs, including 17,900 jobs for women. The firm has a team of over 30 professionals active across Europe, Latin America, Africa and Asia. Bamboo also acts as the Asset Management arm of global impact firm Palladium, which operates in over 90 countries, following a strategic partnership in 2020. For more information, please visit [www.bamboocp.com](http://www.bamboocp.com) or follow @bamboocp.