

 Early Warning System

FMO-51772

BANCO DAVIVIENDA SALVADOREÑO S.A.



Quick Facts

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| Countries | El Salvador |
| Financial Institutions | Netherlands Development Finance Company (FMO) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2017-06-07 |
| Borrower | Banco Davivienda Salvadoreño S.A. |
| Sectors | Finance |
| Ring Fence | Climate |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 30.00 million |
| Project Cost (USD) | \$ 60.00 million |



Project Description

From the FMO:

Banco Davivienda Salvadoreño is a bank in El Salvador that is part of Grupo Davivienda, a Colombian financial group. The bank provides retail as well as commercial banking products and services.

The majority of the funds provided by the FMO will be allocated to renewable energy projects (solar, wind, hydro, biomass). In addition, funds can be used to finance energy efficiency projects, i.e. through building upgrades, replacements of equipment, lighting etc.

With this transaction the FMO aims to contribute to lower CO2 emissions, cleaner energy and energy savings, and deepen their relationship with Banco Davivienda, with the aim of building a regional partnership for sustainable finance in Central America.



Investment Description

- Netherlands Development Finance Company (FMO)

100% of the USD 60 million syndicated facility will be used for 'green' financing projects.

The FMO is providing USD 30 million in financing and they are catalyzing USD 30 million from the Global Climate Partnership Fund, the B-lender in this facility.

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 Davivienda Salvadoreño](#) (Financial Intermediary) **is owned by** [Banco Davivienda](#) (Parent Company)



Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|------------------|----------------------|------------------------|------------|---|----------------------|------------------------|
| Banco Davivienda | Investor | Finance | invests in | Acquisition of Petroelectrica de los llanos Transmission Line | Client | Energy |
| Banco Davivienda | Investor | Finance | invests in | Argos N America Corp | Client | Construction |
| Banco Davivienda | Investor | Finance | invests in | Autopista Conexion Pacifico 2 | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Bank of Nova Scotia | Parent Company | Energy |
| Banco Davivienda | Investor | Finance | invests in | Bosques De Los Llanos Solar | Client | Energy |
| Banco Davivienda | Investor | Finance | invests in | Canacol Energy | Parent Company | Mining |
| Banco Davivienda | Investor | Finance | invests in | Canacol Energy Corporate Facility 2017 | Client | Mining |
| Banco Davivienda | Investor | Finance | invests in | Colpatria | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Edemsa | Parent Company | Energy |
| Banco Davivienda | Investor | Finance | invests in | El Morro and Termoyopal Power Plants Expansion | Client | Energy |
| Banco Davivienda | Investor | Finance | invests in | Frontera Energy Corp | Parent Company | Energy |
| Banco Davivienda | Investor | Finance | invests in | Girardot-Ibague-Cajamarca 4g | Client | Transport |
| Banco Davivienda | Investor | Finance | invests in | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Banco Davivienda | Investor | Finance | invests in | Grupo Argos SA | Parent Company | Construction |
| Banco Davivienda | Investor | Finance | invests in | HB Estructuras Metálicas | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Latinoamericana de Construcciones | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Mincivil | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Mincivil SA | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Petroelectrica de los Llanos S | Client | Energy |
| Banco Davivienda | Investor | Finance | invests in | Procaps SA | Parent Company | Education and Health |



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------------------------|----------------------|------------------------|------------|---|----------------------|------------------------|
| Banco Davivienda | Investor | Finance | invests in | Termotecnica Coindustrial | Parent Company | Transport |
| Banco Davivienda | Investor | Finance | invests in | Termoyopal | Parent Company | Energy |
| Banco Davivienda | Investor | Finance | invests in | Termoyopal-El Morro Power | Client | Energy |
| Banco Davivienda | Investor | Finance | invests in | Trina Solar Co Ltd | Parent Company | Energy |
| Bank of Nova Scotia | Parent Company | Energy | owns | Termoyopal-El Morro Power | Client | Energy |
| Canacol Energy | Parent Company | Mining | owns | Canacol Energy Corporate Facility 2017 | Client | Mining |
| Colpatria | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Edemsa | Parent Company | Energy | owns | Acquisition of Petroelectrica de los Llanos Transmission Line | Client | Energy |
| Frontera Energy Corp | Parent Company | Energy | owns | Petroelectrica de los Llanos S | Client | Energy |
| Grupo Argos SA | Parent Company | Construction | owns | Argos N America Corp | Client | Construction |
| HB Estructuras Metálicas | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Latinoamericana de Construcciones | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Mincivil | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Mincivil SA | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca 4g | Client | Transport |
| Termotecnica Coindustrial | Parent Company | Transport | owns | Girardot-Ibague-Cajamarca Highway (35KM) PPP | Client | Transport |
| Termoyopal | Parent Company | Energy | owns | El Morro and Termoyopal Power Plants Expansion | Client | Energy |
| Trina Solar Co Ltd | Parent Company | Energy | owns | Bosques De Los Llanos Solar | Client | Energy |



Contact Information

info@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>