

 Early Warning System

FMO-53637  
Banco Pichincha C.A.



## Quick Facts

|                                |   |
|--------------------------------|---|
| <b>Countries</b>               | Ecuador                                       |
| <b>Financial Institutions</b>  | Netherlands Development Finance Company (FMO) |
| <b>Status</b>                  | Approved                                      |
| <b>Bank Risk Rating</b>        | B   |
| <b>Voting Date</b>             | 2018-12-11                                    |
| <b>Borrower</b>                | Banco Pichincha C.A.                          |
| <b>Sectors</b>                 | Industry and Trade                            |
| <b>Ring Fence</b>              | Small & Medium Enterprises                    |
| <b>Investment Amount (USD)</b> | \$ 25.00 million                              |



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## Project Description

This loan will be earmarked for financing of female MSMEs to support reducing inequalities and gender equality.

FMO proposes to arrange a syndicated facility and takes USD 20 mln for its own account. The facility will be subordinated such that it qualifies as Tier 2 capital for Banco Pichincha regulatory capital. The proceeds of the loan will further be earmarked to finance women-owned SMEs.



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## Investment Description

- Netherlands Development Finance Company (FMO)

## 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 Pichincha C.A.](#) (Financial Intermediary)



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## 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 Actors Description

Banco Pichincha C.A. is Ecuador's largest bank with more than 100-year old history. It accounts for 28.4% of the banking system's assets in 2017. Pichincha has a diverse business model but is mainly retail driven. The bank has a stable and diversified deposit funding base. The group has presence in four countries, including Ecuador, the U.S. (a branch in Miami), Colombia and Spain. Pichincha has been an anchor FMO client in Ecuador since 2011.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation   | Private Actor 2               | Private Actor 2 Role | Private Actor 2 Sector   |
|-----------------|----------------------|------------------------|------------|-------------------------------|----------------------|--------------------------|
| Banco Pichincha | Investor             | Finance                | invests in | Aleatica SA                   | Client               | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | CVC Advisers Ltd              | Parent Company       | Mining                   |
| Banco Pichincha | Investor             | Finance                | invests in | Dinatela Xxi SI               | Parent Company       | Industry and Trade       |
| Banco Pichincha | Investor             | Finance                | invests in | Dulmatesa SL                  | Parent Company       | Agriculture and Forestry |
| Banco Pichincha | Investor             | Finance                | invests in | Ercros SA                     | Parent Company       | Industry and Trade       |
| Banco Pichincha | Investor             | Finance                | invests in | Eurotransac SL                | Parent Company       | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | Grupo Logistico Sese SL       | Parent Company       | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | Humanitas Centros De          | Parent Company       | Construction             |
| Banco Pichincha | Investor             | Finance                | invests in | Industry Super Holdings Pty   | Parent Company       | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | Investindustrial SA           | Parent Company       | Agriculture and Forestry |
| Banco Pichincha | Investor             | Finance                | invests in | MaxamCorp Holding SL          | Parent Company       | Industry and Trade       |
| Banco Pichincha | Investor             | Finance                | invests in | MII Best Hotels Mgmt SI       | Parent Company       | Construction             |
| Banco Pichincha | Investor             | Finance                | invests in | Montes De Maria 4g Highway    | Client               | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | Natra SA                      | Client               | Agriculture and Forestry |
| Banco Pichincha | Investor             | Finance                | invests in | Nuestro Mundo Empresarial SI  | Parent Company       | Construction             |
| Banco Pichincha | Investor             | Finance                | invests in | Ortiz Construcciones y        | Parent Company       | Construction             |
| Banco Pichincha | Investor             | Finance                | invests in | Rioja Acquisition Sarl        | Client               | Mining                   |
| Banco Pichincha | Investor             | Finance                | invests in | Sacyr SA                      | Parent Company       | Transport                |
| Banco Pichincha | Investor             | Finance                | invests in | Soltec Energias Renovables SI | Parent Company       | Energy                   |
| Banco Pichincha | Investor             | Finance                | invests in | Uquifa                        | Client               | 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 Pichincha             | Investor             | Finance                  | invests in | Vivimed Labs Ltd           | Parent Company       | Education and Health     |
| Banco Pichincha             | Investor             | Finance                  | invests in | Vivimed Labs Spain SL      | Client               | Education and Health     |
| Banco Pichincha             | Investor             | Finance                  | invests in | Volcan Cia Minera SAA      | Parent Company       | Mining                   |
| CVC Advisers Ltd            | Parent Company       | Mining                   | owns       | Rioja Acquisition Sarl     | Client               | Mining                   |
| Industry Super Holdings Pty | Parent Company       | Transport                | owns       | Aleatica SA                | Client               | Transport                |
| Investindustrial SA         | Parent Company       | Agriculture and Forestry | owns       | Natra SA                   | Client               | Agriculture and Forestry |
| Sacyr SA                    | Parent Company       | Transport                | owns       | Montes De Maria 4g Highway | Client               | Transport                |
| Vivimed Labs Ltd            | Parent Company       | Education and Health     | owns       | Uquifa                     | Client               | Education and Health     |
| Vivimed Labs Ltd            | Parent Company       | Education and Health     | owns       | Vivimed Labs Spain SL      | Client               | Education and Health     |



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## Contact Information

No contact information provided at the time of disclosure.

## 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>