

Early Warning System

FMO-53637

Banco Pichincha C.A.

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Quick Facts

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

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.

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)

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 Sl	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	Mll Best Hotels Mgmt Sl	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 Sl	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 Sl	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

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