

 Early Warning System

FMO-53900
SUDAMERIS BANK S.A.E.C.A.



Quick Facts

Countries	Paraguay
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2018-09-19
Borrower	Sudameris
Sectors	Finance, Industry and Trade
Ring Fence	No Restrictions



Project Description

The bank is an important sparring partner for FMO in the Environmental and Social roundtable for banks in Paraguay. Here, important Environmental and Social aspects related to Paraguay are being discussed, for which Sudameris has developed the Environmental and Social guide for the cattle sector. We deem it important to remain involved in the Financial Sector in Paraguay in order to keep on improving Environmental and Social practices in Paraguay.



Early Warning System Project Analysis

The FMO assigned to the project risk category A.



Investment Description

- Netherlands Development Finance Company (FMO)

Through this 7.5% stake we want to continue our relationship with the bank in order to further develop Environmental and Social practices in Paraguay and support Sudameris in the organic growth of the loan portfolio.

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.

- [Sudameris Bank](#) (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

Sudameris is a mid-sized bank (#5 in Total Assets, and market share of ~7%) active in Paraguay, serving the corporate, Small and Medium Sized Enterprises, and retail segments. Sudameris, a category A risk client, is one of the first banks in Paraguay to have implemented an environmental and social management system. The bank also played a key role in the development of the sustainability sector initiative, 'Mesa de Finanzas Sostenibles', or Sustainable Finance Round Table. Through these action Sudameris has set an example for better environmental and social practices in the financial sector and towards clients and society more broadly.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
MOTA-ENGIL	Parent Company	Transport	owns	Ruta 2	Client	Transport
MOTA-ENGIL	Parent Company	Transport	owns	Ruta 7 and Section 0 Bridge Facility PPP	Client	Transport
Ocho A	Parent Company	Transport	owns	Ruta 2	Client	Transport
Ocho A	Parent Company	Transport	owns	Ruta 7 and Section 0 Bridge Facility PPP	Client	Transport
Sacyr Concesiones	Parent Company	Transport	owns	Ruta 2	Client	Transport
Sacyr Concesiones	Parent Company	Transport	owns	Ruta 7 and Section 0 Bridge Facility PPP	Client	Transport
Sudameris Bank	Investor	Finance	invests in	MOTA-ENGIL	Parent Company	Transport
Sudameris Bank	Investor	Finance	invests in	Ocho A	Parent Company	Transport
Sudameris Bank	Investor	Finance	invests in	Ruta 2	Client	Transport
Sudameris Bank	Investor	Finance	invests in	Ruta 7 and Section 0 Bridge Facility PPP	Client	Transport
Sudameris Bank	Investor	Finance	invests in	Sacyr Concesiones	Parent Company	Transport



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>



Other Related Projects

- FMO-56994 SUDAMERIS BANK S.A.E.C.A.
- FMO-58192 SUDAMERIS BANK S.A.E.C.A.