Early Warning System

FMO-54856

BANCO DE LA PRODUCCION S.A. PRODUBA

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Quick Facts

Countries	Ecuador
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2018-08-29
Borrower	Banco de la Produccion S.A. - Produbanco
Sectors	Climate and Environment, Finance
Ring Fence	Climate
Investment Amount (USD)	$ 0.05 million
Project Cost (USD)	$ 70.08 million

Project Description

Produbanco and FMO will further develop green lending opportunities in Ecuador through the Green Lines (Líneas Verdes) product portfolio and a strengthening of the Environmental, Social and Governance risk assessment through SARAS (the bank's social and environmental risk assessment system).

FMO focuses on fostering sustainable economic growth in emerging economies, whereby green finance products are instruments to help forward-thinking financial institutions take advantage of new market opportunities within their existing portfolio or to acquire new clients.

Investment Description

- Netherlands Development Finance Company (FMO)

The investment type was not available.

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 de la Producción S.A. Produbanco (Financial Intermediary)
- Promerica Financial Group (Financial Intermediary) **is owned by** Grupo Promerica (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 Actors Description

Banco de la Produccion S.A. - Produbanco (Produbanco) is a universal bank in Ecuador, owned by the Promerica financial group - a long standing client of FMO. Produbanco is the fourth largest bank in Ecuador with Total Assets amounting to USD 3.5 billion.

Contact Information

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