Early Warning System

FMO-61305

BANCO DE LA PRODUCCION, S.A. (BANPRO)

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Quick Facts

Countries	Nicaragua
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2022-11-21
Borrower	Banco de la Produccion, S.A. (BANPRO)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million

Project Description

USD 15mln of the facility will be earmarked for lending to green clients and projects in Nicaragua, in accordance with FMO criteria. Additionally, USD 5mln is used to finance SME sub-loans to Women-Owned Enterprises. The purpose of the remaining USD 5mln (uncommitted) will be defined at a later stage and could be lending to green projects and/or women financing.

Investment Description

- Netherlands Development Finance Company (FMO)

FMO NV

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. Nicaragua (Financial Intermediary)

Private Actor Relationship

The facility fits with FMO's ambitions to improve women rights and access to economic resources, reduce inequalities and contribute to a green economy. FMO has partnered with Banpro to promote green financing since 2014, since then, Banpro has received green lines from other funders, has established a dedicated green team and has managed to generate a well-diversified green portfolio. This new FMO green line will allow the bank to further grow its green portfolio and to refine its green product offering. In addition, FMO will support Banpro in the launching of its women financing proposition in the country.

Private Actors Description

Banpro is the largest bank in Nicaragua by assets and an existing client of FMO since 2006. The bank is part of the Promerica Group, a long-standing partner of FMO and it plays an important role in the economic development of the country as two thirds of its loan portfolio is dedicated to corporate and SME lending.

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