

 Early Warning System

IFC-38119

PATAGONIA CL II



## Quick Facts

Countries	Argentina
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2016-05-27
Borrower	BANCO PATAGONIA S.A.
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 50.00 million



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## Project Description

According to IFC website, the project consists of a 5-year loan for up to US\$50 million to be provided by IFC to Banco Patagonia S.A. to support its lending activities to export-oriented small and medium enterprises. Further, Banco Patagonia is a full service bank, which provides general banking services with significant presence in the retail and SMEs sectors. As of December 2015, Banco Patagonia is the ninth bank in Argentina in terms of assets and loans, with a market share of 3.5%, and tenth in terms of deposits. The Bank has 3,361 employees and more than 1 million active clients.

IFC's long-term financing is expected to bring high development impact by enhancing Banco Patagonia's capacity to support access to finance for SMEs. SME finance is a key priority for IFC and this project contributes to reducing the financing gap by providing scarce long-term financing to SMEs, thus helping them support capital expenditure programs and investment in capacity expansion leading to employment generation and growth.



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## Investment Description

- International Finance Corporation (IFC)

Banco Patagonia's main shareholder is Banco do Brasil S.A. ("BB"), which is the oldest and largest bank in South America in terms of total assets, and the largest in Brazil by assets, deposits and branches. BB is controlled by the Brazilian Federal government, which holds 57.7% of its shares.

Other shareholders include former founders and management of Banco Patagonia, Emilio Gonzalez Moreno and Ricardo and Jorge Stuart Milne, which currently hold 21.4% of the Bank's capital. In addition, following the nationalization of pension funds, the Argentine government holds a 15.3% stake in Banco Patagonia through the ANSES (Social Security Administration). Moreover, the Province of Rio Negro is also a minority shareholder with a 3.2% stake.

## 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 Patagonia S.A.](#) (Financial Intermediary)



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### Private Actors Description

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## Contact Information

Project Contact: Mariana Sciarrillo  
Manager of International Businesses, Banco Patagonia  
Avenida de Mayo 701, Buenos Aires, Argentina  
Telephone No.: +54 11 4132 6054

## ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>