

 Early Warning System

IFC-40330

Mercantile Bank Limited



Quick Facts

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|--------------------------------|---|
| Countries | South Africa |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Proposed |
| Bank Risk Rating | U |
| Voting Date | 2017-12-11 |
| Borrower | MERCANTILE BANK LIMITED |
| Sectors | Finance |
| Ring Fence | Small & Medium Enterprises |
| Investment Amount (USD) | \$ 60.00 million |



Project Description

The proposed project involves IFC financing of up to US\$ 60 million Rand equivalent to Mercantile Bank Limited (“MBL” or the “Bank”), an SME-focused commercial bank in South Africa. The funding will primarily be used for expanding the Bank’s lending operations to small and medium enterprises (“SMEs”), including women owned SMEs (“WOEs”) and Black Economic Empowerment owned SMEs (“BEEEOEs”).



Investment Description

- International Finance Corporation (IFC)

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.

- [MERCANTILE BANK LIMITED](#) (Financial Intermediary) **is owned by** [Caixa Geral de Depósitos](#) (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 Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|--------------------------|----------------------|------------------------|------------|---|----------------------|------------------------|
| Ascendi Group | Parent Company | Transport | owns | Douro Interior Motorway (272KM) PPP Refinancing | Client | Transport |
| Atlas Holdings LLC | Parent Company | Mining | owns | Alcoa Transformacion de Produc | Client | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Acciona SA | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Aernnova Aerospace Corp SA | Client | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Alcoa Transformacion de Produc | Client | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Alto Tajo Solar | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | ARTECHE LANTEGI ELKARTEA SA | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Ascendi Group | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Atlas Holdings LLC | Parent Company | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | AZVI SA | Parent Company | Construction |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Bondalti Chemicals Sa | Parent Company | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | CascaShopping | Client | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | CK Hutchison Holdings Ltd | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Douro Interior Motorway (272KM) PPP Refinancing | Client | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Douro Interior Road | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | EDP Energias de Portugal SA | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | EDP Finance BV | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Engie SA | Parent Company | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Ercros SA | Parent Company | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Estudio Ceramico | Parent Company | Construction |



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|--------------------------|----------------------|------------------------|------------|-------------------------------|----------------------|--------------------------|
| Caixa Geral de Depósitos | Investor | Finance | invests in | FCC | Client | Construction |
| Caixa Geral de Depósitos | Investor | Finance | invests in | First Capital Partner GmbH | Parent Company | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Galp Energia SGPS SA | Parent Company | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Grupo Celsa | Parent Company | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Grupo Empresarial Conesa SI | Parent Company | Agriculture and Forestry |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Grupo Logistico Sese SL | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Iberwind II Producao - Socie | Client | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Inmobiliaria Carso SA de CV | Parent Company | Construction |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Inver Angelini | Parent Company | Construction |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Las Vegas Sands Corp | Parent Company | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | MCO Nominee One Ltd | Client | Finance |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Melco Intl Dvlp Ltd | Parent Company | Finance |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Monet | Client | Energy |
| Caixa Geral de Depósitos | Investor | Finance | invests in | MonteAdriano | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | MSC Kreuzfahrten AG | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Msc Mediterranean Shipping Co | Client | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Nard Agro | Parent Company | Agriculture and Forestry |
| Caixa Geral de Depósitos | Investor | Finance | invests in | NorteShopping(IMO-R) | Client | Industry and Trade |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Redexis Gas | Parent Company | Mining |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Sands China Ltd | Client | Industry and Trade |



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|-----------------------------|----------------------|------------------------|------------|-------------------------------|----------------------|------------------------|
| Caixa Geral de Depósitos | Investor | Finance | invests in | Sonae Arauco SA | Client | Construction |
| Caixa Geral de Depósitos | Investor | Finance | invests in | Synergy Industry & | Parent Company | Transport |
| Caixa Geral de Depósitos | Investor | Finance | invests in | TIAA | Parent Company | Industry and Trade |
| CK Hutchison Holdings Ltd | Parent Company | Energy | owns | Iberwind II Producao - Socie | Client | Energy |
| Engie SA | Parent Company | Energy | owns | Monet | Client | Energy |
| First Capital Partner GmbH | Parent Company | Industry and Trade | owns | CascaShopping | Client | Industry and Trade |
| Inmobiliaria Carso SA de CV | Parent Company | Construction | owns | FCC | Client | Construction |
| Inver Angelini | Parent Company | Construction | owns | Sonae Arauco SA | Client | Construction |
| Las Vegas Sands Corp | Parent Company | Industry and Trade | owns | Sands China Ltd | Client | Industry and Trade |
| Melco Intl Dvlp Ltd | Parent Company | Finance | owns | MCO Nominee One Ltd | Client | Finance |
| MSC Kreuzfahrten AG | Parent Company | Transport | owns | Msc Mediterranean Shipping Co | Client | Transport |
| Synergy Industry & | Parent Company | Transport | owns | Aernnova Aerospace Corp SA | Client | Transport |
| TIAA | Parent Company | Industry and Trade | owns | NorteShopping(IMO-R) | Client | Industry and Trade |



Contact Information

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. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>



Bank Documents

- [Project Information](#)