Early Warning System

FMO-50193

FEDECREDITO SC DE RL DE CV

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Quick Facts

Countries	El Salvador
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	C
Voting Date	2016-12-08
Borrower	Fedecredito de C.V.
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 24.00 million
Loan Amount (USD)	$ 24.00 million

Project Description

As stated on the project disclosure page, FMO's loan will be on-lent by Fedecredito to its members.

Fedecredito's UBOs are about 1 million low-to-mid income Salvadorans and by providing debt we support further increase of Fedecredito's equity value which is ultimately owned by this 1/6 of the population in El Salvador. We support financial inclusion in El Salvador, by supporting Fedecredito who leads and manages the growth of the network Fedecredito (Sistema Fedecredito) which has 625+ service points throughout El Salvador being most outreaching and largest banking network in the country. There is no place in El Salvador where within a 20 kilometer range you are not able to find a service point of Sistema Fedecredito. We have brought new investors to Fedecredito: DEG, Proparco, Ecobusiness Fund, Triodos and Actiam. We aim to make Fedecredito Green by supporting Fedecredito in boosting Sistema Fedecredito's agricultural portfolio aligned with the biodiversity goals of EcoBusiness Fund.

Investment Description

- Netherlands Development Finance Company (FMO)

This project is in the form of a USD 24 million loan from the FMO.

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.

- Fedecredito de C.V. (Financial Intermediary)

Private Actors Description

As stated by the FMO, Fedecredito is a federation of 55 member cooperatives, which provides technical assistance and funding to its members. The 55 member cooperatives together own 100 percent of Fedecredito. The cooperatives in turn are owned by their 934k members/ shareholders.

Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - Fedecredito de C.V.:

Address: 23 Calle Poniente y 25 Avenida Norte, Edificio Macario Armando Rosales Rosa, San Salvador
Email: informacion@fedecredito.com.sv
Phone: +503 2209 9696
Website: https://www.fedecredito.com.sv/

FMO The Netherlands:

Phone: +31 70 314 96 96
Email: info@fmo.nl

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