

PARAGUAY

A loan to support Paraguayan SMEs and green financing

In Paraguay, Proparco is supporting SMEs and green finance via a USD 120m loan to Sudameris Bank under the Friendship Facility led with DEG.

PROJECT DESCRIPTION

The project involves setting up a USD 120m operation in the form of a loan (Friendship Facility, DEG lead, Proparco and FMO followers) for green financing and Paraguayan SMEs).

The TA will conduct the following activities: a market study based on the targeted sectors, development of a marketing strategy for “green” loans; development of these products adapted to demand on the Paraguayan market; training of the sales staff of Sudameris; advice for the implementation of atypical climate projects.

CLIENT PRESENTATION

Sudameris S.A.E.C.A. is a medium-sized universal bank (5th largest Paraguayan bank in terms of loans). It plays a major role in financial intermediation in Paraguay and offers financial products and services to large companies, SMEs and individuals in the country.

PROJECT IMPACT

Positive impacts are expected on the climate and in social terms:

- About 90% of the loan, i.e. EUR 34m, should finance projects that contribute to climate change mitigation and adaptation. More generally, Banco Sudameris, as a member of the United Nations Environment Programme Finance Initiative (UNEP FI), has pledged to promote and implement good practices for the management of environmental and social risks. The bank is already a pioneer in this field in the country and the MERCOSUR region.
- In social terms, the project will support employment for local people. Banco Sudameris currently has just over 400 employees and the project should create about thirty additional direct jobs by 2023 and support over 22,000 indirect jobs in the client companies of Banco Sudameris.

This information is given at the time of signature, without prejudice to any developments in the operation/project

19/12/2019

Date of signature of the project

 Banks and Financial services sector(s)

 Paraguay
Location

 Loan
Technical Assistance
Financing tool

 36 327 934 Euros
Amount of funding

 USD 40m loan and EUR 27,000 of Technical assistance
Financing details

 Sudameris Bank S.A.E.C.A.
Client

IF-A

CES

