

FONPLATA

Development Bank

INSTITUTIONAL OVERVIEW AND PARTNERSHIP OPPORTUNITIES

March, 2025





About us

FONPLATA — Development Bank

MISSION: We promote the integration of our member countries to drive development through the efficient use of financial and non-financial resources.

VISION: To be a dynamic and cost-effective institution that supports member countries in bridging development gaps, enhancing integration, and strengthening their position in the regional and global economy

STRATEGIC PILLARS:



Functional specialization



Financial soundness



Strategic Complementarity



Organizational efficiency



Focus on adding value

- ✓ Focus on sovereign-guaranteed financing
- ✓ FONPLATA enjoys of Preferred Creditor treatment with its member countries



Clearly defined business niche

AGILITY, ANTICIPATION, AND COMPLEMENTARITY TO CREATE VALUE

- **Focus on smaller projects:** Average size of **USD 40M**, with the capacity to finance larger projects.
- **Agile operations:** Fast approvals and disbursements.
- **Deep regional expertise:** Ability to reach border and remote areas, benefiting multiple countries, including subnational entities.
- **Strong member engagement:** Close collaboration and continuous dialogue with member countries.
- **Leveraging impact through partnerships:** Developing collaborations and joint financing with multilateral and bilateral institutions.





Next steps

Entering a new growth cycle

- Authorized capital increased from **USD 3B** to **USD 6.5B** in February 2024.
- **Expanding lending capacity:** Governance is evaluating a subscribed capital increase to sustain an average **annual lending of USD 1B** from 2027 to 2036.
- **Strengthening governance and financial soundness:** Committed to expanding membership to enhance institutional strength.
- **Diversifying funding sources:** Recent listings on the **UK Stock Exchange (MTN Program)** and as a **public issuer in Mexico** aim to lower borrowing costs and pass savings to members.
- **Driving innovation:** Investing in technological modernization to enhance efficiency and impact.



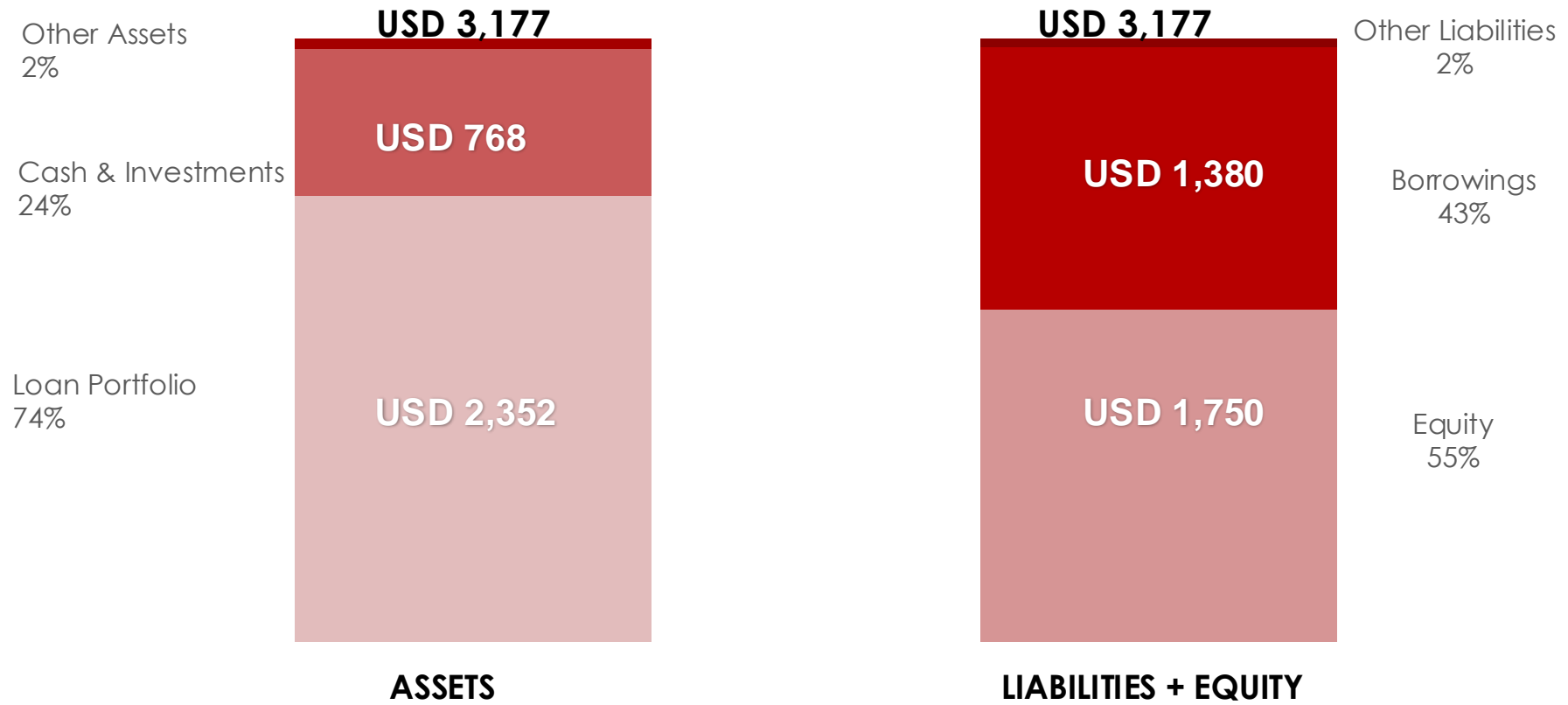
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FINANCIAL HIGHLIGHTS

General Balance Sheet composition as of Dec-24

(Million USD)

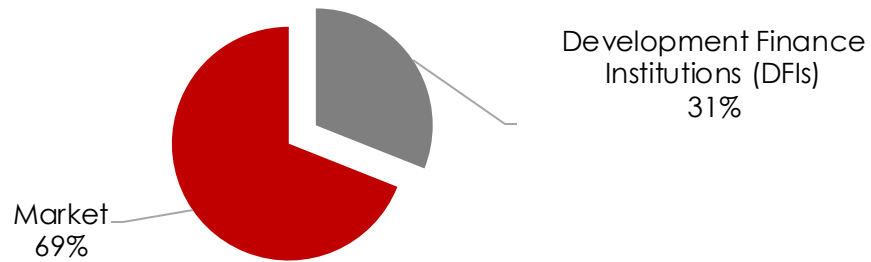


Shareholding:
 ARG & BRA: 33.33%
 BOL, PAR & URU: 11.11%

Paid in capital = 1,321
Reserves and retained earnings= 429.1

Borrowing strategy

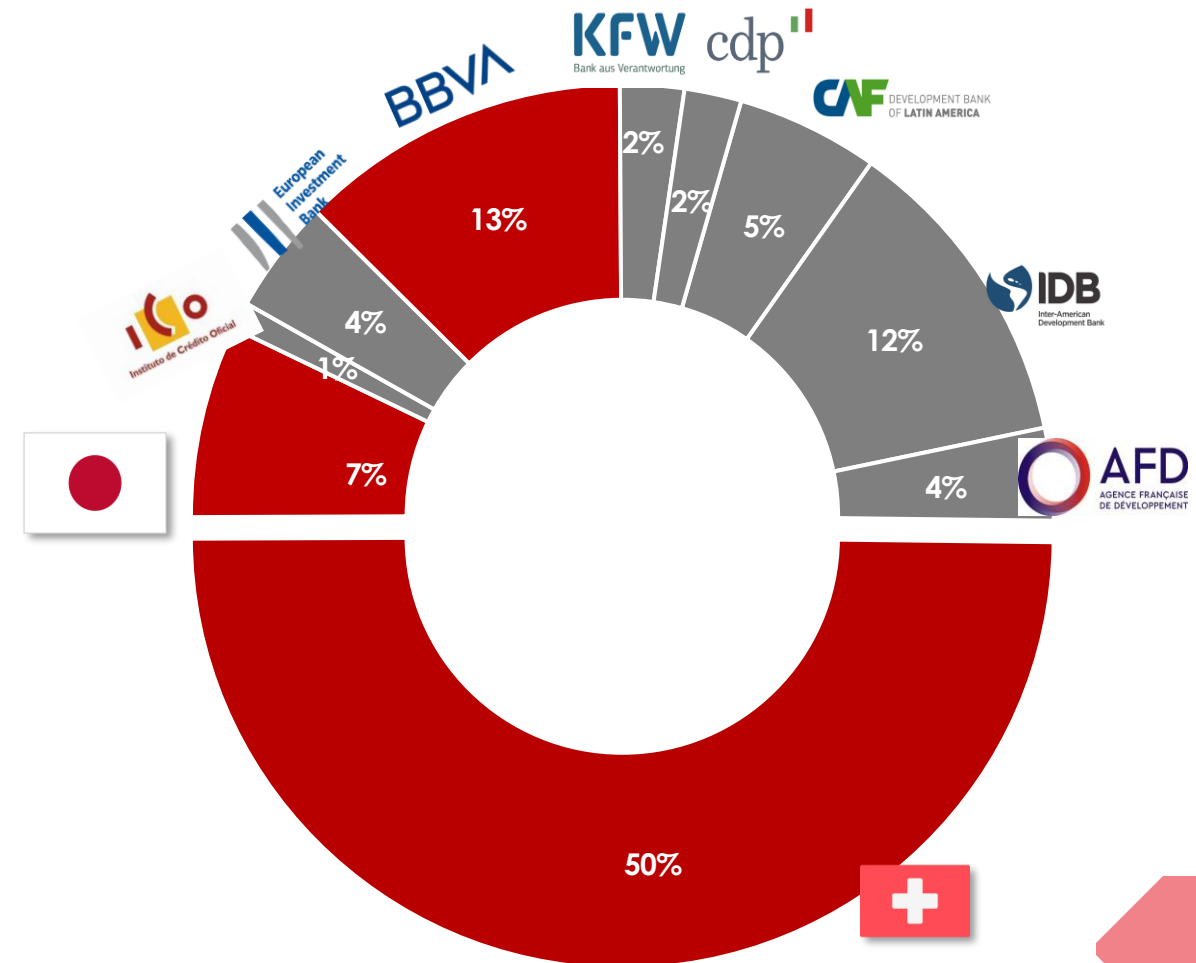
Outstanding Financial debt on 12/31/2024: USD 1.4 B



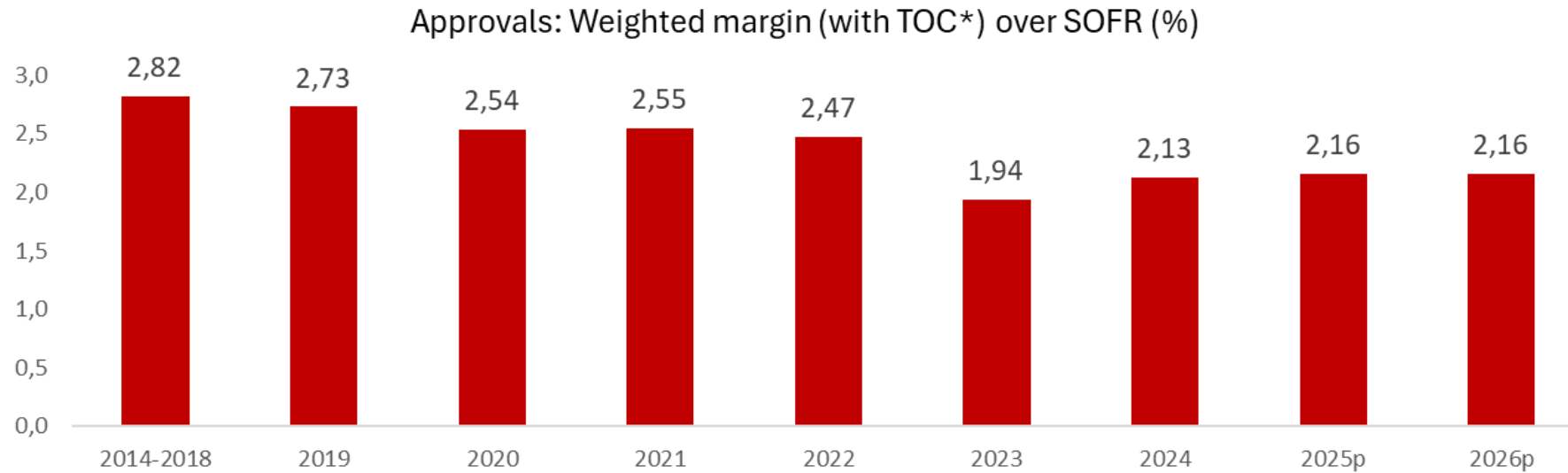
(*) Market includes bonds issues and commercial loans.

Low leverage: according to the Financial Policy, the Bank may leverage up to 75% of its assets with debt, but it must at the same time safeguard solvency.

FONPLATA's funding requirements for 2025 amounts to USD 550 million, which are to be raised in the market, in accordance with the Bank's objective of diversifying funding sources and the strategy of reaching various markets and currencies.



Ensuring competitive financial conditions



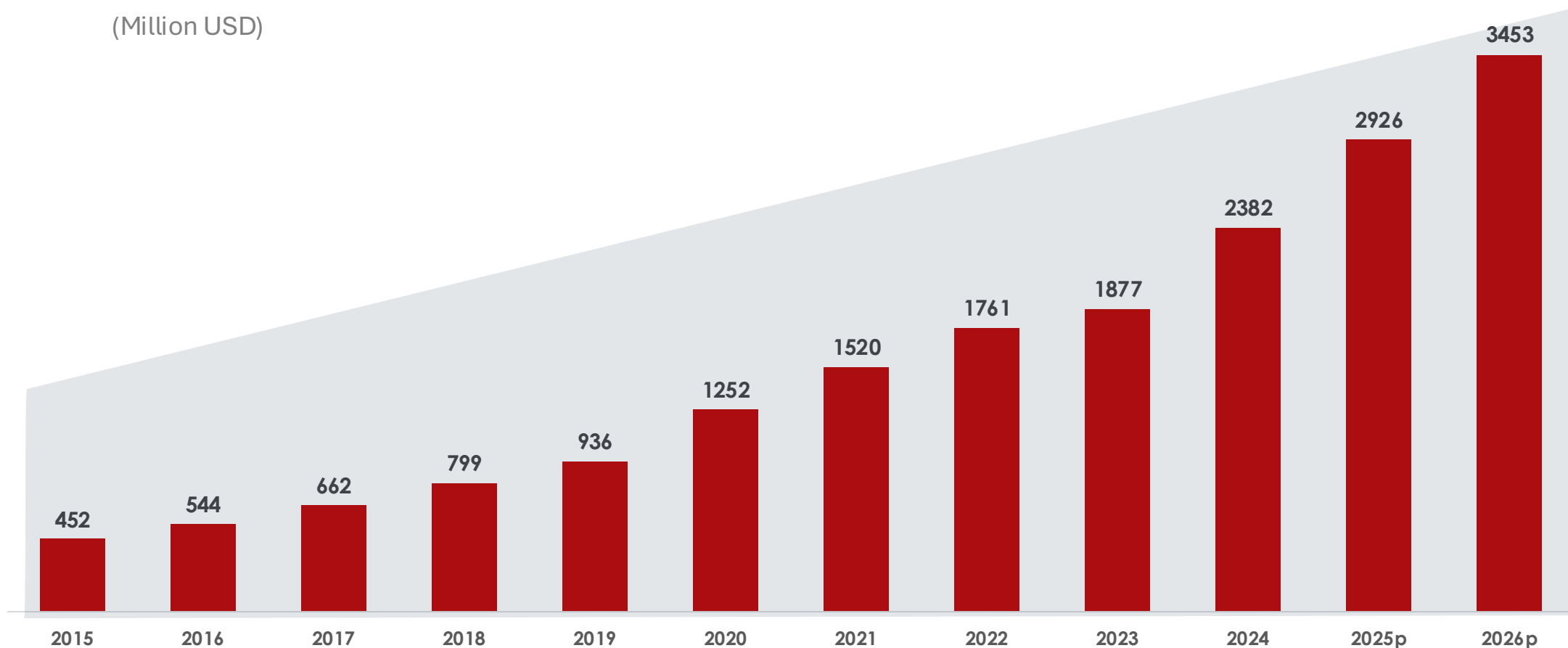
Continuous improvement of financial conditions over the last 10 years while ensuring the Bank's financial soundness.

* TOC is the Spanish acronym used by the bank to designate discounted rates based on certain characteristics of the loans and borrowing countries



Loan Portfolio

(Million USD)



Sustained growth, with no loan in arrears nor delinquent loans, reflecting the Preferred Creditor Treatment granted by our member countries.





Our credit rating



- **A**
- **Stable** outlook



- **A2**
- **Stable** outlook



- Increased funding diversification
- Third capital replenishment
- Expansion of membership base



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OPERATIONAL PORTFOLIO

Current portfolio

Areas of Intervention



Number of Operations



Current portfolio

Projects by type of guarantee

With sovereign guarantee

Funding to national and subnational governments

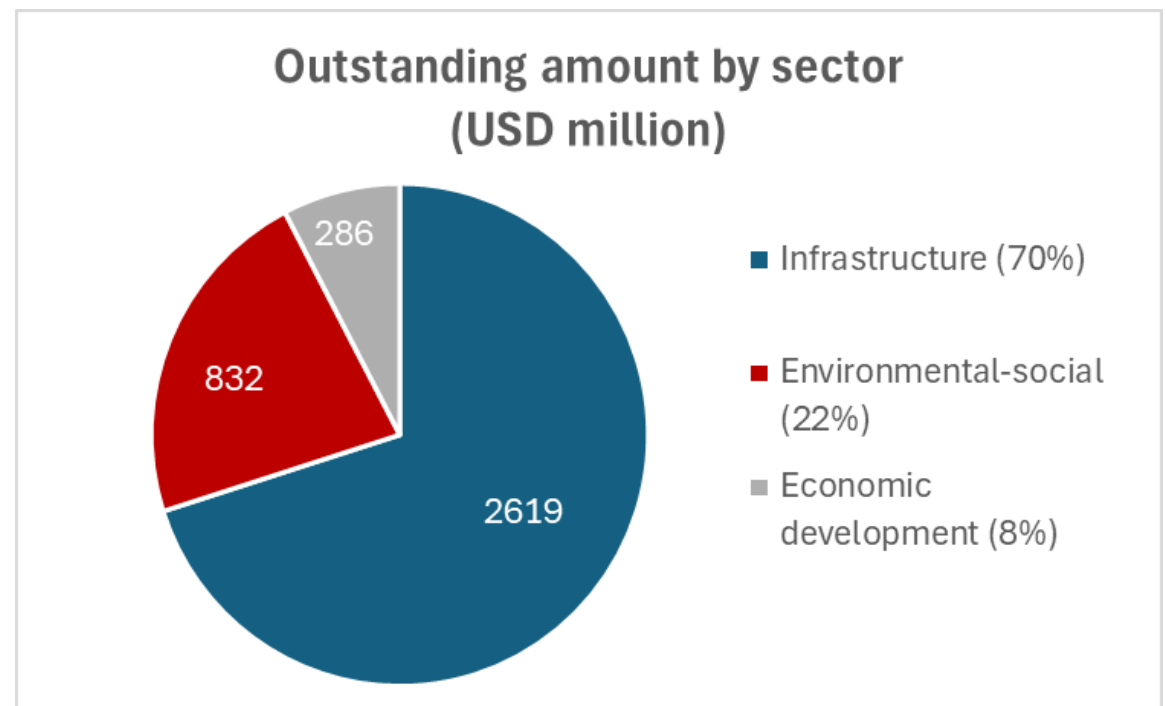


Without sovereign guarantee

Funding to financial and non-financial institutions of mixed composition (state-owned/private), operating under commercial principles.

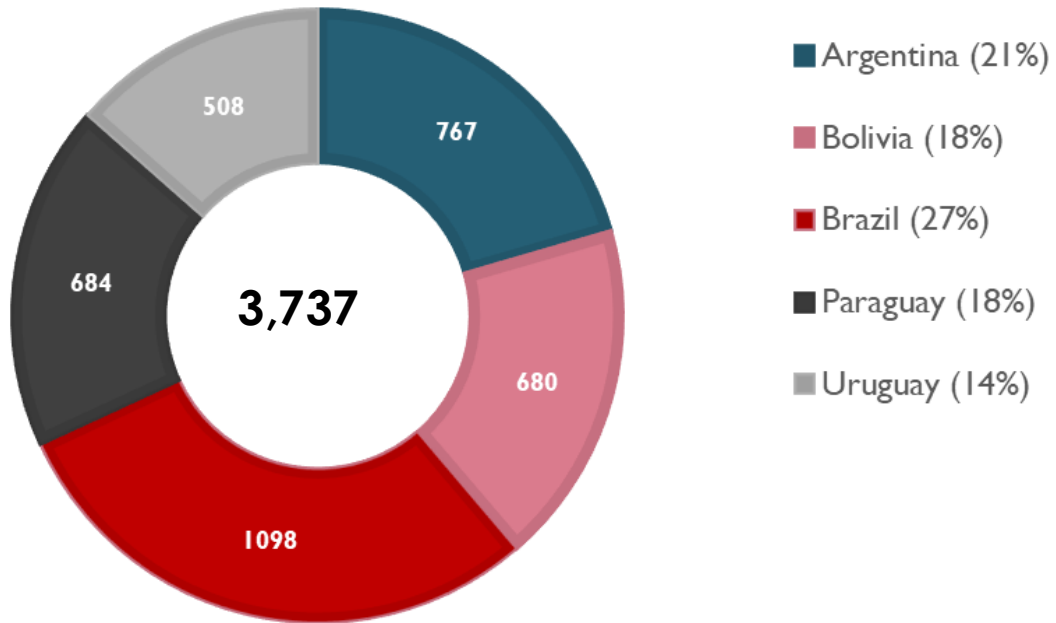


Outstanding amount by sector (jan/25)

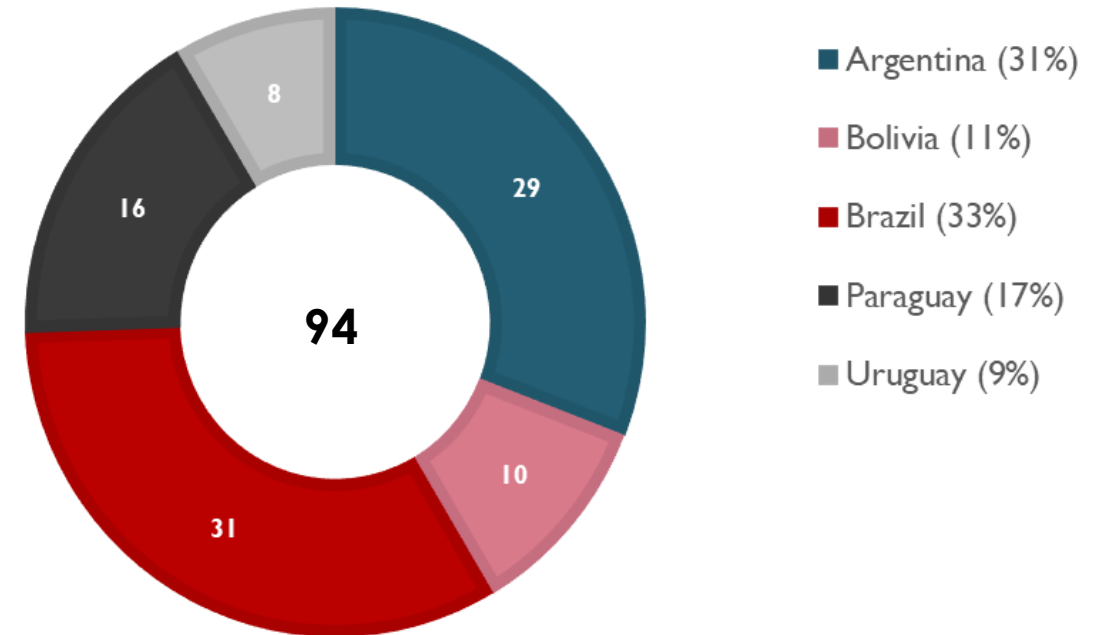


Current portfolio (jan/25)

CURRENT AMOUNT PER COUNTRY (USD MM)



NUMBER OF OPERATIONS BY COUNTRY



(Data as of January 2025, in MILLION USD, considering with sovereign guarantee and without sovereign guarantee.)

Development Impact

Completed and on-going infrastructure projects



Energy:

- **2,5 K** photovoltaic systems installed
- **3** power substations built.



Community and Recreation:

- **+2.6 M sq. m.** in urban parks
- **+2 K sq. m.** of recreational infrastructure



Productive:

- **+16,6 K** strengthened SMEs



Transport:

- **+15 K km** of roads built, improved, or repaired
- **191** bridges built
- **+420 km** bike lanes
- **3** waterways, ports, and airports completed



Social:

- **42** educational centers
- **74** improved or created healthcare infrastructure



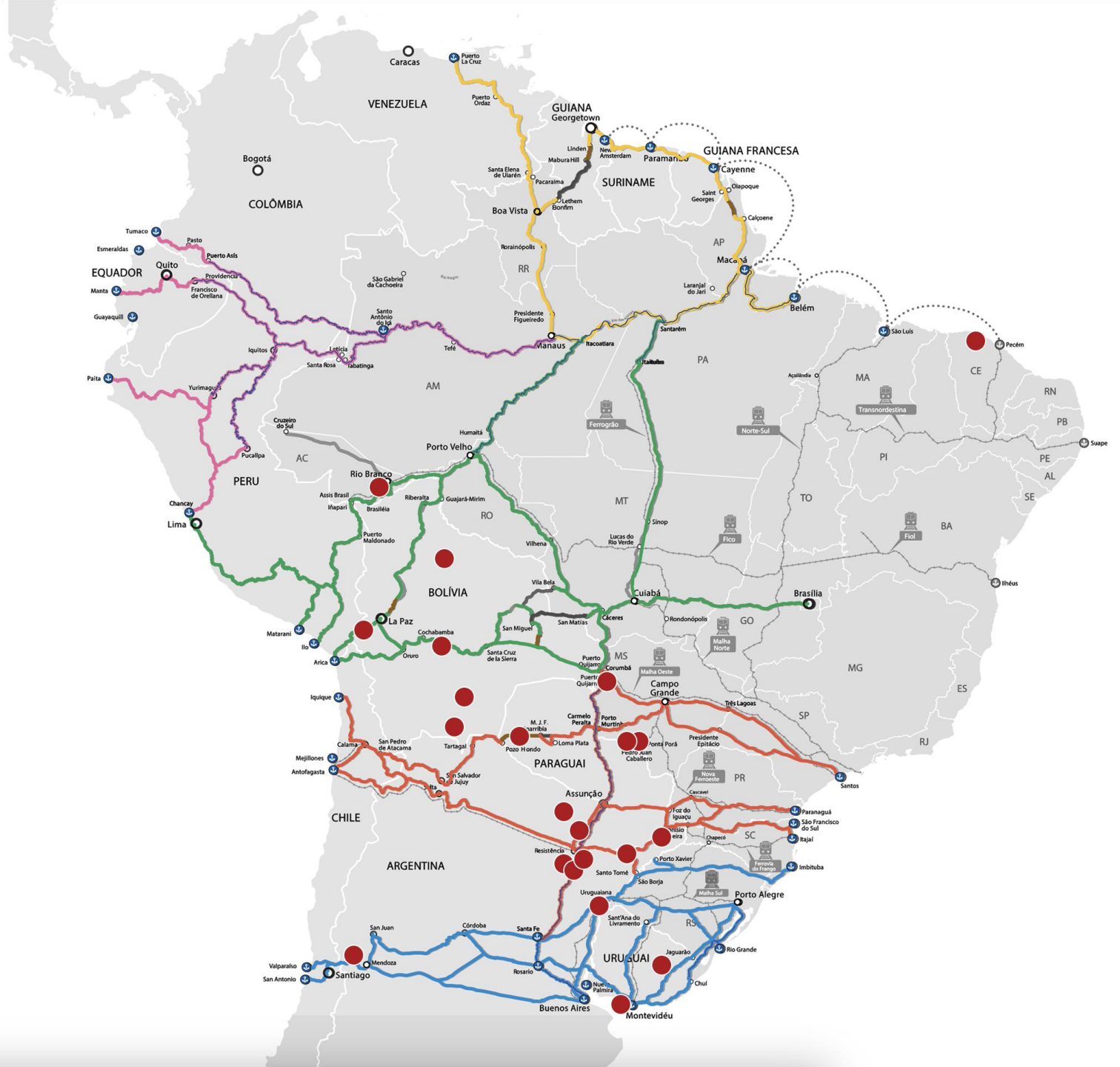
Water and Sanitation:

- **62 km** of drinking water networks
- **+880 km** of sewage networks
- **+41 K** benefited households

ROTAS DE
**Integração
Sul-Americana**

22

Operations
contributing to
**Regional
Integration**





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**STRATEGIC ALLIANCES AND
PARTNERSHIP OPPORTUNITIES**



FONPLATA and its value-adding capabilities

✓ Governance Participation

- New members can join the Bank's governance structure

✓ Catalytic Financing Power

- Receives funds from major IFIs (IDB, CAF, EIB, KFW, AFD, OPEC)
- Agile execution of medium-sized projects (\$40M avg) that are often underserved by larger MDBs, with lower operational costs
- Complies with international socio-environmental standards (locally adapted)

✓ Business Opportunities

- Exclusive bidding access for firms from member/associated countries
- Streamlined processes aligned with national regulations

✓ Regional Expertise

- Strong local networks for tailored project design
- Technical support & capacity building for counterparts

✓ Operational Efficiency

- Risk-proportional oversight (ex-ante/ex-post reviews)
- Strategic interventions with minimal delays
- Cost-effective operations





Partnership opportunities



Thematic Bonds and Bonds Issuance (issued by FONPLATA)

Thematic bonds issuance enables the mobilization of resources to finance specific projects, such as green infrastructure or social inclusion.



Credit Lines

Aimed at funding a wide range of projects, they can be general or specific (focused on sectors such as renewable energies, urban development, gender, among others).




Co-financing

It may be parallel or joint, i.e., either each institution funds an independent project that forms an integral part of the main project or both institutions combine their financing to finance the same project. It increases impact.



Technical Assistance Funds

A group of institutions join efforts to provide technical assistance services, sharing knowledge and experience.



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Partnership opportunities




Trust Funds (Fondos Fiduciarios)

Flexible Off-Balance Sheet Trust Funds: Countries or institutions set up Trust Funds to finance projects or technical cooperation. These funds, which can be bilateral, thematic, or multi-donor, are administered by Fonplata, which handles project identification, financing, disbursement, procurement, and compliance in exchange for an administration fee. Off-balance sheet funds are disbursed directly to borrowers at the funding country's rate, with guarantees provided by the funding country or a third party.



Portfolio Project Guarantees


A country provides a financial guarantee enabling the bank to increase its lending capacity for projects of interest to that country. The country agrees to cover a share of potential losses on specific projects, reducing the associated risk to investors, thus enabling the development bank to obtain financing on more favorable terms.

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New member countries

These are some of the advantages that new member countries would get from FONPLATA:

- I. Ability to support regional strategic decisions that have a strong impact on development, with low fiscal costs**
 - II. Sustained projected growth**
 - III. High-demand niche**
 - IV. Ability to reach small subgovernment institutions such as municipalities and conduct works that maximize the impact of larger works**
 - V. Strong record of good governance and prudent financial management**
 - VI. Agility, anticipation, and responsiveness with low transaction costs**
- 

New member countries

Summary of the Provisions of the Constitutive Agreement

Topic	Details
Member Countries	5 founding countries with equal voting power, although with different shareholdings.
Key Decisions	Before new members join, approval requires 4/5 of the votes of the founding members.
Offices and Headquarters	Offices can be established in any country, but the headquarters must be in a founding country.
New Members	Both countries and organizations can join as new members, holding Class "B" shares.
Share Capital	Divided into Class "A" shares (for founders) and Class "B" shares (for new members). Founders must maintain at least 51% of the total authorized capital.
Board of Governors	Each member country has one Governor, regardless of its shareholding.
Voting in the Assembly	<ul style="list-style-type: none"> - Absolute majority: approval of the annual budget, appointment of external auditors, financial reports. - Absolute majority + 4/5 of the founders: amendments to the Agreement, capital changes, admission of new members, relocation of headquarters, election and removal of the Executive President, suspension of members, and dissolution of Fonplata.
Executive Board	5 Directors from founding countries + up to 4 from new member countries (maximum 9).
Voting Rules in the Board	Decisions by a simple majority, requiring at least 3/5 of the founding members.

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New member countries

Considerations not included in the Agreement but subject to Assembly decision

The Board of Governors may allocate up to 4 additional seats on the Executive Board for new member countries, granting one Director per seat. By Assembly decision, to obtain a seat, the new member must contribute at least the same capital as the smallest founding country.



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