

PROJECT SUMMARY

This project is aligned with the IDB Lab investment strategy for venture capital funds and focuses on one of its key verticals: “Regional Funds.” Under this vertical, IDB Lab seeks to support venture capital funds with a regional strategy that includes making investments beyond the more developed technology-based entrepreneurship ecosystems, to foster regional integration and knowledge transfer.

The **Cometa IV, LP** fund (the “Fund” or “Cometa IV”) was selected from among the candidates that applied in response to the Call for Proposals for Venture Capital Funds launched by IDB Lab in the fourth quarter of 2024.¹ Cometa IV General Partner, LLC (the “manager” or “general partner”) is a leading Mexico-based venture capital firm that, through its three previous funds, has positioned itself as one of the most recognized emerging managers in Latin America and the Caribbean. With a team consisting of two partners and an additional multidisciplinary staff of eight professionals, Cometa has invested in more than 40 companies in Argentina, Colombia, Chile, Ecuador, Mexico, Peru, and Uruguay. Cometa has also implemented several exit strategies that have generated returns in the portfolio.

In terms of direct and indirect impact on poor and vulnerable population, as of 2024 the Manager’s portfolio companies had granted more than 3 million loans to financially underserved populations and supported more than 40,000 small and medium-sized enterprises with active loans. They had also created more than 1,300 direct jobs and 100,000 indirect jobs and positively impacted more than 10 million students through digital educational solutions.

Cometa IV will invest in approximately 23 early-stage, technology-based companies with strong growth potential and the capacity to generate significant social and economic impact in Latin America and the Caribbean. The Fund will give priority to strategic sectors, including financial services infrastructure (fintech) and software solutions (SaaS), as well as other business-to-business verticals seeking to address structural inefficiencies in critical sectors like education and healthcare, or major environmental challenges.

The proposed investment in Cometa IV is considered strategic and innovative for the following main reasons: First, the Manager’s investment strategy has enabled its portfolio companies to achieve market-leading performance and impact indicators. Second, the Fund manager’s mission and track record are clearly aligned with the approach of the IDB Lab portfolio. Third, the Manager has the capacity to promote knowledge transfer to actors in nascent and emerging ecosystems and to promote greater regional integration. Fourth, the Fund will provide access to co-investment opportunities for IDB Lab and IDB Invest in its portfolio companies. Lastly, the Manager has made a strong commitment to gender equity and women’s leadership.

¹ Cometa IV was selected among the 33 applicant funds under the regional funds pillar (out of a total of 91 applicants and 67 funds that met the minimum eligibility requirements).

IDB Lab will provide additionality to Cometa IV by: (i) supporting the Fund's regionalization strategy through connections with potential investments in nascent and emerging ecosystems; (ii) building its capacity to measure the impact generated by portfolio companies; (iii) supporting increased women's participation in leadership positions, both within the Fund team and across portfolio companies; (iv) facilitating access to platforms such as fAIRLAC (ethical and responsible use of artificial intelligence), WeXchange (connections with investment opportunities co-led by women), Corporate Impact Venturing (CIVLAC), AuRA (accelerator of the impact investment ecosystem), and others; and (v) supporting the mobilization of new resources from institutional and development investors, thus building confidence in the Manager.

In 2021, IDB Lab invested US\$4 million in Cometa III, establishing a solid and productive collaborative relationship with the Fund's general partner that was characterized by strategic interaction and shared value generation. In view of the points highlighted above, the project team considers it a highly strategic move for IDB Lab to increase its exposure with the Manager and support the expansion of its impact in the region through an investment of up to US\$6 million in Cometa IV.²

The project is aligned with gender mainstreaming and contributes to the climate finance objectives.

² IDB Lab has sought additional resources from the Specialized Financial Intermediary Development Fund, a core mobilization source with IDB internal financing code TDF. The amount from that fund has yet to be determined but is expected to be similar to IDB Lab's investment with its own resources.