

 Early Warning System

AIIB-000435

Ecuador: CONAFIPS COVID-19 Credit Line Project (Previously:
Corporación Financiera Nacional COVID-19 Credit Line Project)



Quick Facts

Countries	Ecuador
Financial Institutions	Asian Infrastructure Investment Bank (AIIB), World Bank (WB)
Status	Approved
Bank Risk Rating	FI
Voting Date	2022-07-21
Borrower	Corporación Financiera Nacional (CFN)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 50.00 million



Project Description

According to the AIIB website, the objective of this project is to promote access to finance and address the liquidity constraints faced by private micro, small and medium enterprises (MSMEs) in response to the COVID-19 crisis in Ecuador.

The Project is proposed to be supported under AIIB's COVID-19 Crisis Recovery Facility (the Facility) and will be co-financed with the World Bank (IBRD). The Project aims at developing and improving financial products to promote access to finance for productive purposes for MSMEs and strengthening the institutional capacity of the Borrower, Corporacion Financiera Nacional B.P., in the context of the COVID-19 crisis.

The Project may have the following 4 components:

Component 1 - Strengthening the institutional capacity of Corporacion Financiera Nacional B.P..

Component 2 - Development and Improvement of Financial Products to Promote Access to Finance for MSMEs.

Component 3 - Credit Line Intermediated by Corporacion Financiera Nacional B.P. to Participating Financial Intermediaries (PFIs) for on-lending to MSMEs.

Component 4 - Project Management.

The World Bank is the lead co-financier. The Project's environmental and social risks and impacts have been assessed in accordance with the World Bank's Environmental and Social Framework (ESF). Under World Bank's ESF, the Project's environmental and social risks have been categorized as Moderate (equivalent to Category FI if AIIB's ESP were applicable).

AIIB will co-finance Component 2(b) "Capitalization of National Guarantee Fund (NGF) for special COVID-19 program" and Component 3. Under the Project, AIIB will provide through the Borrower, short-term liquidity financing for MSMEs in the form of partial credit guarantees and/or credit lines to mitigate the impacts of the economic crisis induced by the COVID-19 pandemic.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)
- World Bank (WB)

The Project is proposed to be supported under AIIB's COVID-19 Crisis Recovery Facility (the Facility) and will be co-financed with the World Bank (IBRD) (the Lead Co-financier).

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.

- [Corporación Financiera Nacional B.P. \(CFN\)](#) (Financial Intermediary)



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- [Project Summary \(September 14, 2020\)](#) [\[Original Source\]](#)