Early Warning System

DFC-2020-BANCOPICHINCHA

Banco Pichincha DPR

Quick Facts

Countries	Ecuador
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Ecuador DPR Funding, Ltd.
Sectors	Finance
Investment Type(s)	Guarantee, Loan
Investment Amount (USD)	$ 150.00 million
Project Cost (USD)	$ 187.50 million

Project Description

An up to $150 million direct loan to raise long-term U.S. dollar funding through a diversified payment rights securitization. Loan proceeds will be used by Banco Pichincha, C.A. for the expansion of the bank's women-led, owned, and supported micro, small and medium-sized enterprise loan portfolio in Ecuador.

The Project is expected to have a highly developmental impact in Ecuador through providing long-term funding to a major bank for on-lending to micro, small, and medium enterprises (MSMEs) all of which are women-owned or women-led or qualify under women-supporting criteria. The Project will support these MSMEs at a critical period, with Ecuador's 2020 real GDP forecast to decline 6.3 percent according to the International Monetary Fund, the country's worst performance in over 40 years if realized. As of 2018, the International Finance Corporation reported Ecuador's MSME financing gap at $17.9 billion (18 percent of GDP), with women-owned and women-led MSMEs accounting for approximately $1.5 billion of the total. The bank supported by the Project is SMART Campaign certified, maintains annual community investments of over $1 million, and provides employee benefits including funding the majority of family medical insurance premiums.

Investment Description

- US International Development Finance Corporation (DFC)

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.

- Ecuador DPR Funding, Ltd. (Financial Intermediary)

Contact Information

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: https://www.dfc.gov/foia

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: https://www.dfc.gov/who-we-are/office-accountability

Bank Documents

- Project Disclosure [Original Source]