

 Early Warning System

DFC-2021-BANCOINTERNACI

Banco Internacional S.A.



Quick Facts

Countries	Guatemala
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Banco Internacional, S.A.
Sectors	Finance, Industry and Trade
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Loan
Investment Amount (USD)	\$ 15.00 million
Loan Amount (USD)	\$ 15.00 million
Project Cost (USD)	\$ 30.00 million



Project Description

PROJECT DESCRIPTION

A loan portfolio guaranty with Interbanco to catalyze lending to SMEs including those in the Western Highlands Departments of Guatemala.

DEVELOPMENT OBJECTIVES

The Project is expected to have a highly developmental impact on Guatemala's economy through coverage of loans to SMEs. In Guatemala, SMEs currently employ an estimated 75% of the population, yet they face a \$13.7 billion financing gap. Guatemala's economy is estimated to have contracted by three percent in 2020 because of the pandemic, in which SMEs were significantly affected by lockdown measures such as falling demand, bottlenecks in supply chains, and diminishing liquidity. SMEs located in economically vulnerable regions, such as the Western Highlands, are expected to be particularly impacted by COVID-19. The Guaranteed Party estimates that DFC will provide coverage to approximately 150 new loans to SMEs, a minimum of 10 percent of which will be lent to borrowers located in the Western Highlands. In order to incentivize the Guaranteed Party to increase lending to economically vulnerable regions, DFC will offer 60% coverage on loans to borrowers in the Western Highlands compared to 50% for the rest of the portfolio.



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.

- [Banco Internacional, S.A.](#) (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](#)