Early Warning System

IDBI-11363-06

Tanner factoring and leasing SMES II

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Quick Facts

Countries	Chile
Financial Institutions	IDB Invest (IDBI)
Status	Active
Bank Risk Rating	B
Voting Date	2020-11-24
Borrower	Tanner Servicios Financieros S.A.
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 36.00 million
Loan Amount (USD)	$ 100.00 million

Project Description

The Project aims to finance Small and Medium-sized Enterprises ("SMEs") through factoring and financial leasing operations in Chile. The proposed operation consists of a credit facility for approximately US$100 million. The loan will have a tenor for up to five years, and consisting of: (i) an A Loan of up to US$40 million to be financed by IDB Invest; ii) a co-loan of up to US$20 million; and (iii) a B Loan of up to US$40 million to be financed by participating investors. The project will also enable Tanner to expand the financial services it offers to its clients, diversify its sources of financing, and, at the same time, improve the structure of its assets and liabilities.

Early Warning System Project Analysis

Environmental and Social (“E&S”) Review: Tanner is an existing client of IDB Invest. The review was based on the evaluation of the latest information received (2019 - Annual Environmental and Social Performance Report) and on updating the E&S summary of the factoring transaction approved in 2017 (12218-01).

Environmental and Social Categorization and Rationale: The sub-projects/transactions to be supported have a low risk potential (factoring and leasing). Therefore, per the IIC Environmental and Social Sustainability Policy, the FI has been categorized as FI-3.

People Affected By This Project

Tanner implements, since 2016, an Environmental and Social Management System (“ESMS”), called Environmental and Social Policy and Procedure, which allows it to identify and manage the E&S risks of its portfolio following local legislation. The ESMS includes the exclusion list, an E&S policy, categorization procedures, relevant national regulations, and compliance monitoring, and enforcement responsibilities. Tanner's staff has participated in IDB Invest (formerly IIC) trainings.

Tanner will not finance with IDB Invest resources companies with activities included in the Exclusion List, or transactions categorized as High Risk (category A) and will verify that the companies comply with Chilean environmental, labor and tax laws. In order for Tanner to update knowledge of the IDB Invest requirements, the personnel in charge of supervising and implementing the ESMS must take the IDB Invest online course for financial intermediaries.

Investment Description

- IDB Invest (IDBI)

IDBI invested 36,000,000 dollars.

Private Actors Description

Borrower: Tanner Servicios Financieros S.A.

Contact Information

Client Contact name: Gustavo Inostroza
Title: Finance Manager
Phone number: +56 2 33257150
Email address:
gustavo.inostroza@tanner.cl

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.iadb.org/en/access-information/information-request

ACCOUNTABILITY MECHANISM OF IDB / IDB INVEST

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IDB Invest)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IDB Invest is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).