Early Warning System

IDBI-11861-03

Promerica ES - Bond

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Quick Facts

Countries	El Salvador
Financial Institutions	IDB Invest (IDBI)
Status	Approved
Bank Risk Rating	U
Voting Date	2021-12-21
Borrower	Banco Promerica El Salvador
Sectors	Finance
Investment Type(s)	Fund
Investment Amount (USD)	$ 20.00 million
Project Cost (USD)	$ 100.00 million

Project Description

The proposed transaction is a subscription to the first public issuance program of sustainable bonds by Banco Promerica S.A. ("Promerica") in the local Salvadoran market, for up to US$100 million, of which US$20 million will be subscribed by IDB Invest during the first issue and the remainder, limited to US$80 million, will be subscribed by other impact investors in subsequent issuances. These funds will be used to finance projects with a positive social and environmental impact within the country and will focus on Small and Medium Enterprises (SMEs) with a green portfolio and a social portfolio. IDB Invest will support Promerica in launching its first thematic bond in accordance with theSocial Bond Principles issued by the International Capital Markets Association (ICMA). This will be supported by a Second Party Opinion (SPO) by an independent third party that will validate the bond classification as a Thematic Bond and provide the associated market accreditation for it to attract the interest of issuers seeking to maximize the social impact of their investments. This thematic bond will be aligned with the UN Sustainable Development Goals (SDGs) and the Social Bond Principles (SBP), making it the first bond issuance of its kind on the El Salvador Stock Exchange and by IDB Invest.

Investment Description

- IDB Invest (IDBI)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
IDB Invest	Investor	Finance	invests in	Promerica El Salvador	Client	Finance

Contact Information

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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).

Bank Documents

- PROMERICA ES 11861-03 ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY (ESRS) [Original Source]