Early Warning System

IDBI-13818-01

Valor Opportunity Fund II

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Quick Facts

Financial Institutions	IDB Invest (IDBI)
Status	Approved
Bank Risk Rating	U
Voting Date	2022-06-07
Borrower	Valor Opportunity Fund II, L.P.
Sectors	Finance, Industry and Trade
Investment Type(s)	Equity
Investment Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 500.00 million

Project Description

According to the Bank’s website, the project consists of an equity investment of $10 million in the Valor Opportunity Fund II LP, which aims to provide early growth equity for technology-enabled companies in Latin America and the Caribbean with Brazil being its main geographical target. VOFII will be managed by Valor Capital Group. Established in 2011, Valor is one of the most active venture capital investment firms in LAC with an exceptional track record. Valor is currently fundraising $500 million for two funds (including VOFII) and has successfully raised and invested five other funds with total AUM worth US$2.2 billion.

With a target size of US$250 million, VOFII will invest in approximately 10-15 "early growth" venture-backed companies (Series B+) across LAC in sectors such as financial services, education, mobility, logistics, consumer & retail and health.

The Fund will invest in breakout companies, which are expanding and require larger amounts of capital than the amount available from Valor's early-stage funds, allocating at least 50% of the Fund to such investments. VOFII may also invest in businesses that are not in the portfolios of Valor funds.

Investment Description

- IDB Invest (IDBI)

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.

- Valor Capital Group (Financial Intermediary)

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

- VOFII - 13818-01 - ESRS [Original Source]