

 Early Warning System

IDBI-14919-01

Sustainable Financing with Banco de Machala



## Quick Facts

Countries	Ecuador
Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	U
Voting Date	2024-10-02
Borrower	Banco de Machala S.A.
Sectors	Finance
Investment Type(s)	Advisory Services, Loan
Investment Amount (USD)	\$ 0.15 million
Loan Amount (USD)	\$ 15.00 million
Project Cost (USD)	\$ 0.15 million



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## Project Description

The operation consists of a senior secured loan of up to US\$ 15 million to be funded by IDB Invest (the "IDB Invest Loan"), and a parallel loan of up to US\$15 million to be funded by co-lenders (the "Parallel Loan" and together with the IDB Invest Loan, the "Loan"). The Loan is expected to have a term of up to five years with semi-annual principal and interest amortization payments. The proceeds of the Loan will be used to promote the growth of Banco de Machala's green, blue and food production credit portfolio in Ecuador.

The Project team will support Banco de Machala through advisory services to enhance its sustainability strategy across two key pillars: (i) defining a decarbonization strategy, this strategy will align with the principles of the Net Zero Bank Alliance, to align their portfolios to zero emissions by the year 2050, and (ii) developing a strategy to promote sustainable and equitable food systems through tailored financial instruments and suitable KPIs aligned with best practices.



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## **Early Warning System Project Analysis**

E&S category: FI-2



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**People Affected By This Project**



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## 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.

- [Banco de Machala](#) (Financial Intermediary)



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**Private Actor Relationship**

**Private Actors Description**



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## 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](mailto: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).



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## Bank Documents

- [ENG - BANCO DE MACHALA S.A](#) [Original Source]