

 Early Warning System

IFC-40981

Angel Ventures Pacific Alliance Fund II



## Quick Facts

<b>Countries</b>	Mexico
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	C
<b>Voting Date</b>	2018-03-14
<b>Borrower</b>	ANGEL VENTURES
<b>Sectors</b>	Finance
<b>Investment Type(s)</b>	Equity
<b>Investment Amount (USD)</b>	\$ 5.00 million



## Project Description

This project is an equity investment of up to US\$5 million in Angel Ventures Pacific Alliance Fund II, an Ontario-domiciled venture capital fund which focuses on investing in early-stage technology companies in Mexico and the Pacific Alliance region.

The International Finance Corporation says that the project will have the following development impacts:

- **Support investee growth and market innovation:** Startups in emerging markets currently lack access to patient equity capital, global know-how and operational support that professional fund managers offer. Early stage companies need cash infusions in relatively quick successions as they achieve scale. Without adequate funding, they would not be able to sustain operations and be forced to abandon their pursuit of developing disruptive businesses. Access to equity is difficult for asset light businesses such as technology firms. IFC's commitment would provide the necessary patient capital to support and grow such innovative businesses.
- **Regional expansion of local businesses:** The Fund will support an innovation ecosystem around its investees to maximize success potential, foster skills development, and provide a bridge to other markets in the region. The project is expected to reach over 20 early stage companies and improve operations with proper guidance.



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### **Early Warning System Project Analysis**

The International Finance Corporation has rated this project FI-3 in the environmental and social category. This rating corresponds to a C rating or low risk.



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## Investment Description

- International Finance Corporation (IFC)

International Finance Corporation proposed investment in this project is \$5 million, not to exceed 20% of the aggregate commitments.

On top of its equity investment, IFC is expected to provide resources by way of IFC's sector experience and extensive portfolio in financial services, education, healthcare, internet and technology, which would be relevant for portfolio companies of the Fund.

## 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.

- [Angel Ventures Pacific Alliance Fund II](#) (Financial Intermediary)



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### Private Actors Description

Angel Ventures Pacific Alliance Fund II is an Ontario-domiciled venture capital fund focused on investing in early-stage technology companies in Mexico and the Pacific Alliance region.



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## Contact Information

### ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>