Early Warning System

IFC-44083

Banco BHDL WCS

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Quick Facts

Countries	Dominican Republic
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-06-19
Borrower	BANCO MULTIPLE BHD LEON SA
Sectors	Finance, Industry and Trade
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Loan
Investment Amount (USD)	$ 60.00 million

Project Description

The proposed investment consists of a one-year, renewable , senior loan for up to US$60 million to Banco Múltiple BHD León, S.A. (“BHDL” or “the Bank”) in the Dominican Republic (the “DR” or the “Country”) under the FIG COVID-19 Emergency Response WCS Envelope (WCS Envelope). The WCS Envelope is designed to provide funding to existing IFC client banks in emerging markets that will then extend new trade-related or working capital loans to companies whose cash flows have been disrupted by the global outbreak of the coronavirus pandemic. The proposed investment intends to support a strategic partner and a leading financial institution in the Country, by supporting the Bank's working capital and trade-related lending programs to DR enterprises, primarily small and medium enterprises (“SMEs”) as a result of the COVID-19 pandemic.

Investment Description

- International Finance Corporation (IFC)

This investment is most likely to be a credit line.

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 MULTIPLE BHD LEON SA (Financial Intermediary)
- Banco BHDL WCS (Financial Intermediary) **is owned by** Banco BHD León (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Banco BHD León	Investor	Finance	invests in	Canacol Energy	Parent Company	Mining
Banco BHD León	Investor	Finance	invests in	Canacol Energy Corporate Facility 2017	Client	Mining
Canacol Energy	Parent Company	Mining	owns	Canacol Energy Corporate Facility 2017	Client	Mining

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. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/