

 Early Warning System

IFC-45855

DCM Pichincha GB



Quick Facts

| | |
|--------------------------------|---|
| Countries | Ecuador |
| Specific Location | UNINFORMED |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Proposed |
| Bank Risk Rating | FI |
| Voting Date | 2022-01-06 |
| Borrower | Banco Pichincha CA |
| Sectors | Finance |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 50.00 million |
| Project Cost (USD) | \$ 50.00 million |



Project Description

The proposed investment consists of an up to five-year financing to Banco Pichincha Ecuador (Pichincha or the Bank), through an up to US\$50 million subscription of senior gender bonds for IFC's own account. The proceeds of the issuance will be used to provide access to finance for women-owned small and medium enterprises (WSMEs) in Ecuador (the Project). The Project will be the first gender bond to be issued by Pichincha.



People Affected By This Project

The Project is expected to have a strong stakeholders impact by aiming to increase access to finance for SMEs and, more specifically, WSMEs. The estimated financing gap for SMEs is US\$15.7 billion or 16% of the country's GDP, while the financing gap for WSMEs is US\$1.2 billion, which represents 8.1% of the SME finance gap. Moreover, Ecuador ranks 86th on the 2019 Gender Inequality Index, implying that there is still much work to be done to level the playing field and increase access to finance to WSMEs.

Additionally, the Project is expected to have a strong contribution to market creation through inclusiveness, as the Project is anticipated to be the first gender bond issued by the largest bank in Ecuador with a strong SME and WSME business focus and will promote greater market inclusiveness by encouraging other banks to issue thematic bonds of their own focused on supporting WSMEs. With this proposed investment IFC will introduce a gender-themed bond, which is specifically designed to support women-owned small businesses. IFC expects that increased market-wide awareness of this funding method will help demonstrate the commercial viability of financing WSMEs.



Investment Description

- International Finance Corporation (IFC)



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|-----------------|----------------------|------------------------|
| - | - | - | - | Banco Pichincha | Client | Finance |



Contact Information

Banco Pichincha
Eduardo Urgiles
Head of Treasury
(593 2) 2 980-980
eurgiles@pichincha.com
Av. Amazonas y Pereira
www.pichincha.com

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>.

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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/>