

 Early Warning System

IFC-47516

Prom Gt Sub Debt



Quick Facts

| | |
|--------------------------------|---|
| Countries | Guatemala |
| Specific Location | Ciudad Guatemala |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Proposed |
| Bank Risk Rating | U |
| Voting Date | 2023-06-28 |
| Borrower | Banco Promerica S.A. |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 50.00 million |
| Project Cost (USD) | \$ 50.00 million |



Project Description

The proposed project consists of a (i) a senior unsecured A Loan of US\$25 million 7-year with 2-year grace period, and (ii) a subordinated “C” Loan of up to US\$25 million, 10-year tenor (5-year grace only for the principal repayment) to Banco Promerica S.A. (Promerica GT or the Bank), both for IFC’s own account (the Project). The loan proceeds will be used to fund SMEs and climate smart assets including energy efficiency. One of the Project’s main objectives is to contribute to strengthening the Bank’s capital base for future business growth through the subordinated debt component. The Guatemalan banking regulation, which is under Basel II, includes subordinated debt as part of Tier II capital for the capital adequacy ratio (CAR) calculation, and subordinated debt is therefore an effective way to leverage the existing equity base without new shareholder contributions. In addition, the funds of the Project will enable Promerica Gt to continue its strategic move to gain a stronger presence in the climate finance space (including energy efficiency).



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 Promerica, S.A. (Promerica GT) | Client | Finance |



Contact Information

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

El Ombudsman del Asesor de Cumplimiento (CAO, por sus siglas en inglés) es el mecanismo de denuncia independiente y el organismo de investigación para las personas que creen que es probable que se vean o hayan sido afectadas negativamente por un proyecto financiado por la IFC o MIGA. Si presenta una queja ante la CAO, pueden ayudarlo a resolver una disputa con la empresa y/o investigar para evaluar si la IFC está siguiendo sus propias políticas y procedimientos para prevenir daños a las personas o al medio ambiente. Si desea presentar una queja electrónicamente, puede enviar un correo electrónico a la CAO a CAO@worldbankgroup.org. Puede obtener más información sobre la CAO y cómo presentar una queja en <http://www.cao-ombudsman.org>