

 Early Warning System

IDBI-12951-01

Urapu SLU



Quick Facts

Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	B
Voting Date	2020-10-02
Borrower	Urapi Sustainable Land Use ("URAPI SLU")
Sectors	Agriculture and Forestry, Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 5.00 million



Project Description

The transaction consists of a guarantee of up to US\$5 million to support the second closure of Urapi SLU (the "Fund") until it reaches its target capitalization of US\$50 million. The guarantee will be issued for a term of up to 15 years, matching the Fund's time horizon. The Fund has a regional mandate, with a focus on agroforestry projects.

The Fund was established to invest in projects to restore degraded lands. The Fund's investments are formalized through special-purpose vehicles created for each project in the different countries where it invests. The special purpose vehicles, which are 100% funded by Urapi SLU, offer (i) equity investments in infrastructure for processing raw materials; (ii) investments in carbon credit sale and issue infrastructure; and (iii) financing for small producers to invest in their farms, improve land-use, and increase productivity. IDB Invest's guarantee will partially cover the risk of nonpayment of this financing for the small producers.



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.

- [Urapi Sustainable Land Use](#) (Financial Intermediary)



Contact Information

Contact information For questions about projects, including environmental and social issues associated with an IDB Invest transaction, please contact the client (see **Investment Summary**) or IDB Invest through e-mail requestinformation@idbinvest.org. As a last resort, affected communities have access to IDB Invest's Independent Consultation and Investigation Mechanism through mecanismo@iadb.org or MICI@iadb.org, or by calling +1(202) 623-3952.