Early Warning System

IDBI-12392-01

Banco PICHINCHA Peru

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Quick Facts

Countries	Peru
Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	B
Voting Date	2018-11-09
Borrower	Banco PICHINCHA Peru
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 13.00 million
Project Cost (USD)	$ 13.00 million

Project Description

According to the bank, this project involves the underwriting of subordinated bonds for up to US$13 million to be issued by Banco PICHINCHA via a private offering. The subordinated bond issue will have a 10-year term, with eight years grace. Proceeds from the subordinated bonds will be used to grow Banco PICHINCHA's microfinance portfolio.Banco PICHINCHA is a financial institution chartered in Peru that belongs to Grupo Pichincha of Ecuador. It is a multipurpose bank with a small share--2.7%--of the Peruvian financial system, positioning it in seventh place. The Bank's business model is based on products and services provided to four market segments: 45% small and medium-sized businesses; 31% consumption (geared toward low- and medium-income segments); 15% mortgages; and 9% microenterprises.IDB Invest's commitment to purchase the bonds would be subject to certain conditions, including the company agreeing to comply with IDB Invest environmental and social policies while IDB Invest holds the securities.

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.

- Banco Pichincha C.A. (Financial Intermediary)

Contact Information

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For inquiries and comments to the IIC, contact: IIC Communications Group. Email address: divulgacionpublica@iadb.org

For project inquiries, including environmental and social questions related to an IDB Invest investment, please contact the client or IDB Invest using the contact information provided above. As a last resort, project affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism.

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Campaign Documents

- Company Overview of Banco Pichincha