Early Warning System

IDBI-13436-01

ACCION Digital Transformation Fund

Quick Facts

Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	U
Voting Date	2021-10-12
Borrower	Accion International Transformation Fund
Sectors	Finance
Investment Type(s)	Equity
Investment Amount (USD)	$ 3.30 million
Project Cost (USD)	$ 10.00 million

Project Description

IDB Invest is considering an equity investment up to US$10 million (including resources from IDB Invest's administered funds) in the Accion Digital Transformation Fund ("the Fund"), an investment fund providing growth capital to microfinance institutions ("MFIs") seeking to digitize their transactions and products. The Fund will be managed by Accion International ("Accion" or the "Fund Manager"), a pioneer in the microfinance sector with over 50 years of global experience in this segment.

The COVID- 19 pandemic has increased the financial gap for micro, small and medium-sized enterprises ("MSMEs") and has specifically affected women, who represent the majority of MFI borrowers.

Access to financial services is key to MSME recovery, and digitizing those services will accelerate financial inclusion. By investing in the Fund, IDB Invest would help bridge the MSME financial gap.The Fund would mark the beginning of a strategic cooperation with Accion, which is committed to financial inclusion focused on technical assistance and co-investments for MFIs in the region.

The Fund plans to invest in a total of 8-12 MFIs in Asia, Africa and Latin America. IDB Invest will support investments in Latin America . Investments in MFIs are estimated to be between US$8 million and US$10 million.

Investment Description

- IDB Invest (IDBI)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Accion International	Contractor	Finance	owns	Accion Digital Transformation Fund	Client	Finance

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.iadb.org/en/access-information/information-request

ACCOUNTABILITY MECHANISM OF IDB / IDB INVEST

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IDB Invest)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IDB Invest is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

Bank Documents

- ACCION DIGITAL TRANSFORMATION 13436-01 ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY (ESRS) [Original Source]

Other Related Projects

- IFC-48456 ADTx Equity