

 Early Warning System

**IDBI-13958-01**

**Banco Agricola - Subordinated Debt for SMEs in El Salvador**



### Quick Facts

<b>Countries</b>	El Salvador
<b>Financial Institutions</b>	IDB Invest (IDBI)
<b>Status</b>	Proposed
<b>Bank Risk Rating</b>	FI
<b>Voting Date</b>	2022-05-24
<b>Borrower</b>	Banco Agricola, S.A.
<b>Sectors</b>	Finance, Technical Cooperation
<b>Ring Fence</b>	Small & Medium Enterprises, Women
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 70.00 million
<b>Project Cost (USD)</b>	\$ 70.00 million



### Project Description

The Project consists of a subordinated unsecured loan to be granted to Banco Agricola S.A. (the "Borrower" or the "Bank") for up to US\$70 million with a repayment term of 10 years including five years of grace. The loan will be used to support the expansion of the small- and medium-sized enterprise (SME), women-led SME and green portfolios of Banco Agricola. By growing the portfolios, the Project aims at contributing to improve the overall access to financing of such segments in El Salvador. To achieve this, we are seeking to strengthen Banco Agricola's capital base and thus supporting the Bank's portfolio growth strategy, which includes the target segments. In addition, the financial support is expected to be completed with technical assistance to improve the Bank's abilities and knowledge in serving the women-led SME segment.



### 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 Agrícola](#) (Financial Intermediary)



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### **Private Actor Relationship**

The Bank is an existing client of IDB Invest and holds financing lines with other development financial institutions.

### **Private Actors Description**

Banco Agrícola, S.A. is a private bank from El Salvador.

It will act as a Financial Intermediary.



### 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](mailto: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).



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### Bank Documents

- [BANCO AGRICOLA SUBORDINATED DEBT - 13958-01 -ESRS](#) [Original Source]