

SUMMARY OF THE PROJECT IN DESIGN * (*)

Promote alternative financing to MSMEs through a “micro-investment crowdfunding” platform in Peru

PITCH ELIGIBILITY DATE		COUNTRY(IES)
05/19/2022		Peru
ALIGNED WITH COUNTRY STRATEGY?		
Yes		
PARTNER(S)		
Cooperativa de Ahorro y Crédito Abaco		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
FI-3 (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 1,000,000	US 500,000	US 500,000
DESCRIPTION		

The problem: The Peruvian financial system needs innovative and scalable solutions to realize greater financial inclusion so that Peruvian micro, small and medium enterprises (MSMEs) can launch, continue and expand their businesses. Especially, it is expected to take the advantage of newly available digital tools and fintech solutions to develop innovative financing schemes/platforms to facilitate MSMEs’ access to financial products and services.

The solution: The proposed solution aims to deploy a “micro-investment crowdfunding” platform for channeling a massive number of Peruvian individuals’ micro-investments to finance Peruvian MSMEs, and thereby to contribute to financial inclusion by introducing alternative financing scheme in the Peruvian financial sector. The proposed micro-investment crowdfunding platform to be deployed in Peru is called “Securite” which has been developed and operated by Music Securities, Inc., a Japanese FinTech venture.

The beneficiaries: will be 400+ Peruvian MSMEs and their employees from poor and vulnerable population. MSMEs, via digital platform, will raise funds for launching/continuing/expanding their businesses. Many MSMEs have been negatively affected by the pandemic, and alternative financing scheme is expected to play an important role for steady recovery of their economic activities and secure the employment.

The partner: is Cooperativa de Ahorro y Crédito ABACO which was founded in 1981. Today, Abaco is an open savings and credit cooperative and has more than 28,000 members. ABACO, facing rapidly evolving business environment especially with technology-enabled new players in the local banking industry, is interested in proactively testing alternative ideas and approaches to complement its traditional financial services.

*The information mentioned in this document is indicative and may be altered throughout the project cycle prior to approval. This document does not guarantee approval of the project.

**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)’s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI’s portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI’s portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

The IDB Lab contribution: The proposed amount of US\$500,000, under the modality of non-reimbursable technical cooperation, will be financed in its entirety with the resources of the Japan Special Fund (JSF) administered by the IDB Lab. This contribution will be complemented with a counterpart funding of US\$500,000 to be jointly contributed by ABACO and Music Securities.

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