

PROJECT ABSTRACT

Project name: Banco Improsa, S.A. Financing Loan
Project number: CR-L1058
Country: Costa Rica
Facility Type: Senior Loan
Department: Structured and Corporate Finance (SCF)
Division: Financial Markets (FMK)

I. PROJECT DESCRIPTION

The proposed project entails a loan (the “Loan”) to Banco Improsa, S.A. (“Improsa”) to support the further expansion of its commercial loan portfolio to small and medium-sized enterprises (“SME”) in Costa Rica. The Loan would provide a senior A Loan (the “A Loan”) of up to US\$8 million to be financed by IDB and a B Loan (the “B Loan”) to be financed by commercial investors in an amount to be determined based on the market conditions and needs of the client.

IDB PARTICIPATION

The proposed Loan would be the first IDB transaction in Costa Rica under the Regional SME Facility (RG-X1092). By supporting Improsa, and the key SME segment, IDB complements its strategy in the region by improving the competitiveness and efficiency of private sector development and expanding the sources of sustainable growth and poverty reduction. This Loan is aligned with several strategic goals of the IDB as is the support for the strategy of inclusion, social policy for equity and of growth and social welfare, outlined among the main institutional priorities for the ninth general capital increase of the IDB (GCI-9).

The Loan also contributes towards SCF’s vision targets to meet the funding needs of SMEs. It also promotes access to finance as part of the *beyondBanking* program. Finally, the Loan is aligned with the Costa Rica Country Strategy (2011-2014) in that it provides financial support to increase private investment through direct non-sovereign guarantee (NSG) interventions to SMEs through financial institutions.