IDB Invest structures the world's first gender-linked bond based on achieving outcomes, issued by Davivienda
IDB Invest, a member of the IDB Group, has structured and subscribed a Gender-focused Social Bond issue by Banco Davivienda SA (Davivienda). The deal, worth $100 million, or COP362,500 million, has a 7-year maturity. This is the world's first issue of a gender-linked bond based on achieving outcomes.

Proceeds from the bond placement, acquired in full by IDB Invest, will be exclusively used by the issuer to finance the growth of its women-led SMEs portfolio (WSMEs), as well as the purchase of social interest houses by women in Colombia. The financing will contribute to the development of capital markets and thematic bonds in Colombia and the region.

This is the first gender-focused social bond in South America aligned with international standards. As part of the bond issuance process, IDB Invest advised Davivienda in the design of the methodological framework for the use of proceeds, involving criteria for selection, monitoring and evaluation of projects, aligned with the Social Bond Principles of the International Association of Capital Markets (ICMA).
Additionally, IDB Invest supported Davivienda in securing an independent verification of the methodological framework, known as a second-party opinion, issued by Vigeo Eiris, an external consultant specialized in this type of projects.

This is the first deal in Colombia that is part of the Women Entrepreneurs Financing Initiative (We-Fi), an international alliance that aims to unlock financing and access to markets for companies led by women. Through the We-Fi program, IDB Invest will grant the Issuer a $300,000 bonus over a period of five years as certain outcomes are achieved, in this case the expansion of the WSMEs loan portfolio from 20% to 27% (6,500 loans approximately). The bonus will be disbursed annually in the amount of $60,000 after progress assessment.

IDB Invest will also provide advisory services with funds from the We-Fi program to support Davivienda in designing a value-and-positioning proposal, focused on serving the WSMEs segment.

This deal can potentially contribute to six United Nations Sustainable Development Goals (SDGs): End Poverty (SDG 1), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Industry, innovation and infrastructure (SDG 9), Reduction of inequalities (SDG 10), Sustainable cities and communities (SDG 11).

About IDB Invest

IDB Invest, a member of the IDB Group, is a multilateral development bank committed to promoting the economic development of its member countries in Latin America and the Caribbean through the private sector. IDB Invest finances sustainable companies and projects to achieve financial results and maximize economic, social and environmental
development in the region. With a portfolio of $12.088 billion in asset management and 333 clients in 24 countries, IDB Invest provides innovative financial solutions and advisory services that meet the needs of its clients in a variety of industries.

**About Davivienda**

At Davivienda we believe in a financial world that simplifies the lives of people, communities, businesses and cities. As a result, today we are a team of more than 17,000 people in Colombia, Panama, Costa Rica, Honduras, El Salvador and Miami, innovating, investing in knowledge, talent and technology, collaborating and seeking to implement best practices worldwide. We do all of this to deliver everyday solutions and exclusive offers to 16 million customers, enabling greater financial inclusion and sustainable development. We are currently the second largest bank by portfolio size in Colombia, with a network of 668 branches and nearly 2,700 ATMs in Colombia and in our international subsidiaries. We are part of Grupo Bolívar.

**PRESS CONTACT**

<table>
<thead>
<tr>
<th>CONTACT NAME</th>
<th>EMAIL</th>
<th>PHONE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ana Lucía Escudero</td>
<td><a href="mailto:analuciae@iadb.org">analuciae@iadb.org</a></td>
<td>+1(202) 623-1919</td>
</tr>
</tbody>
</table>
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