

 Early Warning System

IIC-11609-04

Banco Galicia Green Financing Partnership



Quick Facts

Countries	Argentina
Financial Institutions	IDB Invest (IDBI)
Bank Risk Rating	FI
Voting Date	2016-12-13
Borrower	Banco de Galicia y Buenos Aires S.A. ("Galicia")
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 30.00 million
Project Cost (USD)	\$ 100.00 million



Project Description

The Project consists in a financing facility for up to US\$100 million (“Green Financing Partnership”) for Banco de Galicia y Buenos Aires S.A. that will allow Galicia to finance sub-projects with high environmental benefits in Argentina; primarily in the areas of renewable energy and energy efficiency, and will also support other carbon mitigating investments. The Green Financing Partnership will support the development and growth of Sustainable Projects in small and medium enterprises and small and medium corporations.

The project objective is to promote access to finance green projects mostly related to renewable energy (wind, solar and biomass) and energy efficiency, and to promote other investments to reduce emissions of greenhouse gases (sustainable projects) through SMEs. The potential pipeline is expected to involve only medium E&S risk operations and will be restricted to category "A" sub-projects.

Galicia currently has an Environmental and Social Management System (ESMS) with sufficient capacity to manage the E&S risks, but given that it has limited experience in renewable energy projects, the bank will be required to update its procedures and improve its capacity as well as to expand the scope of application of its ESMS.



Investment Description

- IDB Invest (IDBI)

The proposed Project consists of a senior unsecured loan for up to US\$100 million to Galicia comprised of an IDB loan for up to US\$70 million and an IIC loan for up to US\$30 million.



Contact Information

ACCOUNTABILITY MECHANISM OF IIC

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