



FINPYME *Credit*

The Inter-American Investment Corporation (IIC) is the only multilateral financial institution that provides financing to private businesses in Latin America and the Caribbean with a special focus on small and medium-sized enterprises (SMEs).

FINPYME *Credit* is the IIC's small loan program designed to provide competitive financing to SMEs in amounts from US\$100.000 to US\$600.000. The program supports small companies that want to expand their sales by financing investments in working capital as well as fixed assets.

Eligible businesses include private companies in the agribusiness, manufacturing, wholesale, retail and services, construction, and any other sectors contributing to the local economy. Export-oriented or import-substitution businesses and companies whose operations have no material environmental impact will be given preference.

Loans under FINPYME *Credit* may be senior or subordinated. Senior loans require collateral and a personal guarantee by the business owner. Subordinated loans are granted without collateral, but require a personal guarantee by the business owner and are subject to a premium on the base interest rate.

To apply for a loan, please refer to www.iic.org/finpymecredit



PROJECTS APPROVED UNDER FINPYME *Credit*

Irene S.A. **NICARAGUA**

US\$600,000

Irene used IIC financing to purchase machinery and equipment for its apparel manufacturing operations, which helped it create 1,100 jobs in the sector.

Comercial Nasareth S. de R.L. **HONDURAS**

US\$155,000

Comercial Nasareth sells household appliances, furniture, cellular telephones, and motorbikes. It used the IIC financing to purchase inventory for its own brand of white goods and refinance a portion of its debt.

Vicoza S.R.L. **PARAGUAY**

US\$570,000

With the IIC's financing, Vicoza was able to diversify its business through a new production line of chia seeds. The loan also helped to improve Vicoza's production of mineral salts.

Tecnopak S.A. **GUATEMALA**

US\$200,000

With financing from the IIC, Tecnopak purchased machinery and stepped up production of its recyclable plastic containers and packaging.

Altmann Montero Exportaciones S.R.L. **BOLIVIA**

US\$300,000

IIC financing helped Altmann purchase machinery for its logging and wood processing operations, increase its production, and create jobs.

FINPYME Credit BENEFITS

- Competitive fixed interest rates. All fees included in the interest rate.
- Optional technical assistance for improving financial, environmental, and business management.
- Quick approvals.

ELIGIBILITY CRITERIA

Borrower:

- Companies, partnerships or sole proprietorships.
- At least three years of business operations.
- For senior loans, total gross sales between US\$500,000 and US\$6 million.
- For subordinated loans, total gross sales between US\$900,000 and US\$6 million.

SECTORS AND AREAS OF OPERATIONS:

- All areas of the productive, commercial, or service sectors, preferably those that create jobs and generate foreign exchange.
- Companies and operations with no material environmental impact.

QUALITATIVE ASPECTS OF THE BORROWER:

- Management: At least three years' experience and track record in the sector, area, and activity.
- Sponsor: Satisfactory evaluation of business experience, including credit history and reputation.
- Market references: At least three, covering the company and its main shareholders.
- Governance: Appropriate physical and human resources.

LOAN TERMS:

- Amount: Up to 20% of annual gross sales.
- Currency: United States dollars.
- Term: Minimum three years, maximum seven years.
- Interest Rates: Fixed, determined at the time of approval and held for 90 days.
- Repayment: Quarterly (principal and interest), or in accordance with the seasonal nature of the particular company.
- Guarantees: Senior loans require a mortgage or pledge on real assets with a liquidation value at least equal to the loan amount and personal guarantees from the business owners. Subordinated loans do not require collateral, but a personal guarantee from the business owner is still needed.

PROJECTS APPROVED UNDER FINPYME Credit

Laboratorio Uruguay S.A.

URUGUAY

US\$380,000

Laboratorio Uruguay used IIC financing to meet its working capital needs, expand its inventory, and increase sales of its veterinary products.

Productos Ujarrás S.A.

COSTA RICA

US\$100,000

Ujarrás produces and exports jams and received IIC financing to purchase new machinery to meet growing local and international demand.

Carifresh S.A.

HAITI

US\$160,000

With financing from the IIC, Carifresh purchased equipment that enabled it to step up its production of mangos and other produce by 75% over a period of four months.

Fibrac S.A.

PARAGUAY

US\$250,000

Fibrac used IIC financing to expand its facilities and purchase machinery used to manufacture water tanks, bathtubs, and swimming pools made of reinforced plastic.

Grupo 20/20, S.A. de C.V.

EL SALVADOR

US\$440,000

Grupo 20/20 used the IIC loan to buy new, cutting-edge machinery for its optical laboratory and to cut the production times of its ophthalmic lenses and frames.