

5 keys points of Ecuador's Sovereign Social Bonds

Republic of Ecuador | 2020



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To diversify its financing sources for affordable housing access, and thus reduce the housing deficit in the country, the Republic of Ecuador has issues its first social bond.

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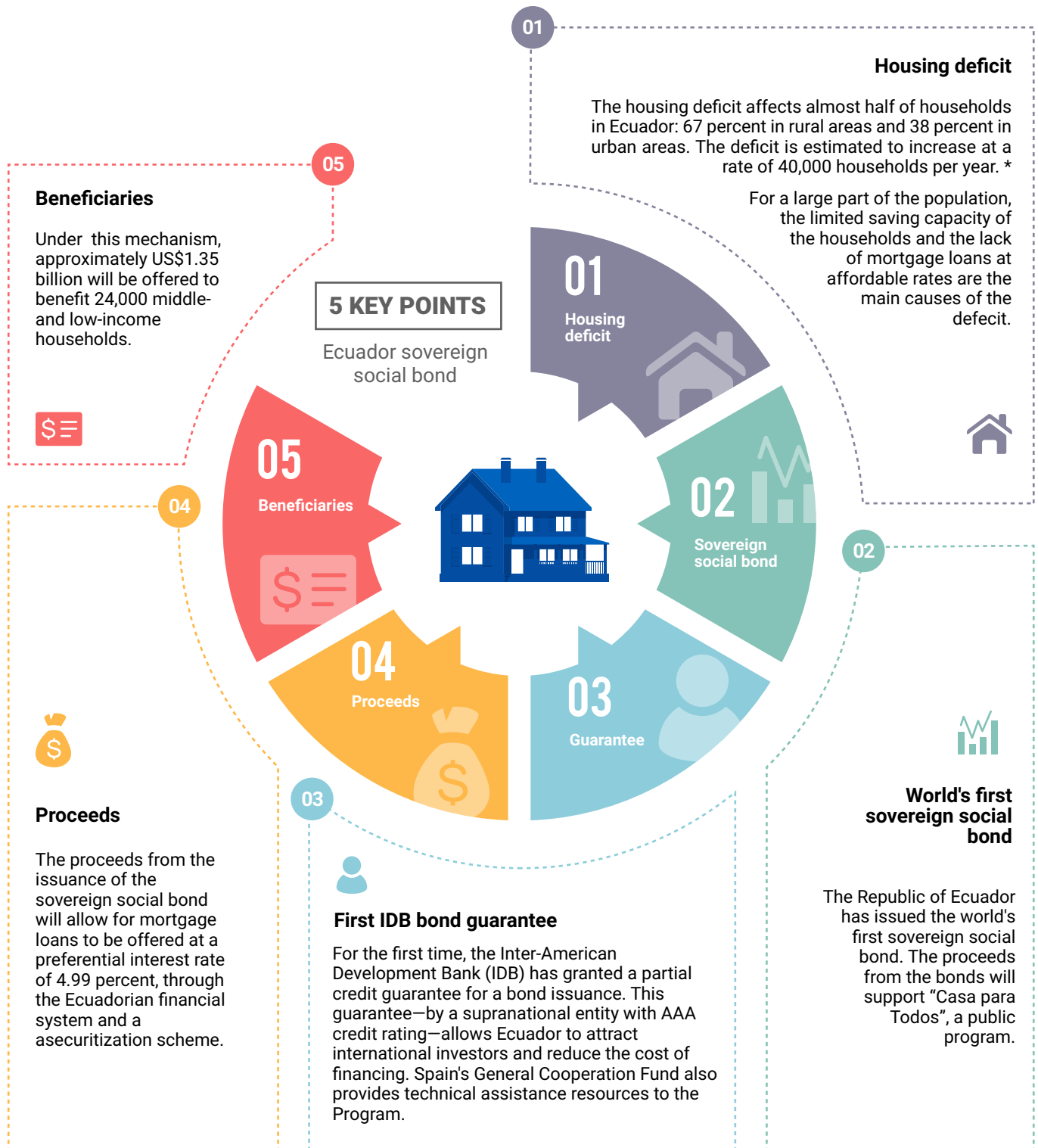
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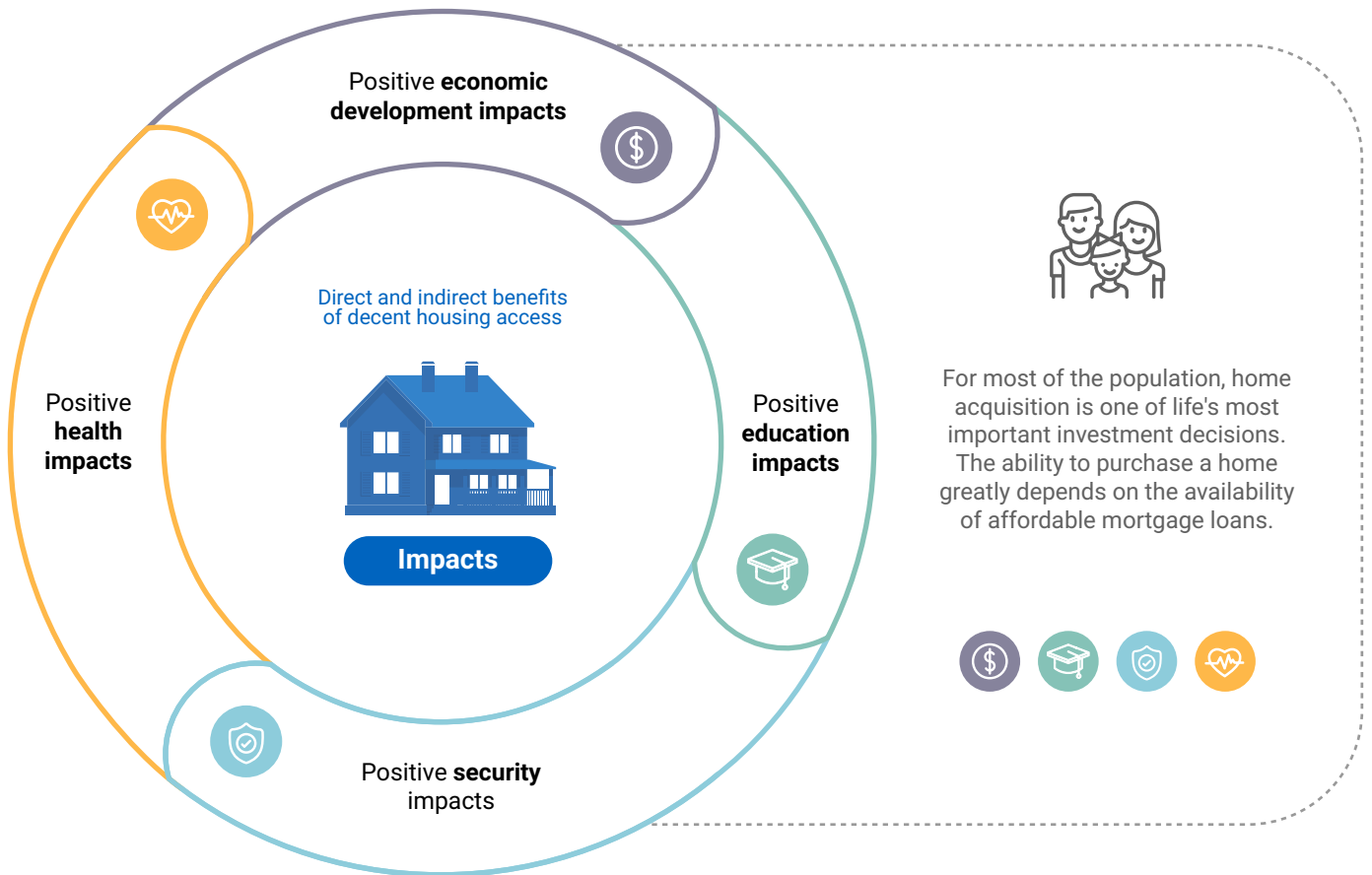
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* According to data from the Ministry of Economy and Finance of Ecuador (2017).

This issuance of sovereign social bonds provides affordable housing to the target households, costing them no more than a third of their income and allowing them to maintain their current standard of living. To learn more about this issuance, as well as "Casa para Todos", please visit: <https://www.finanzas.gob.ec/>.

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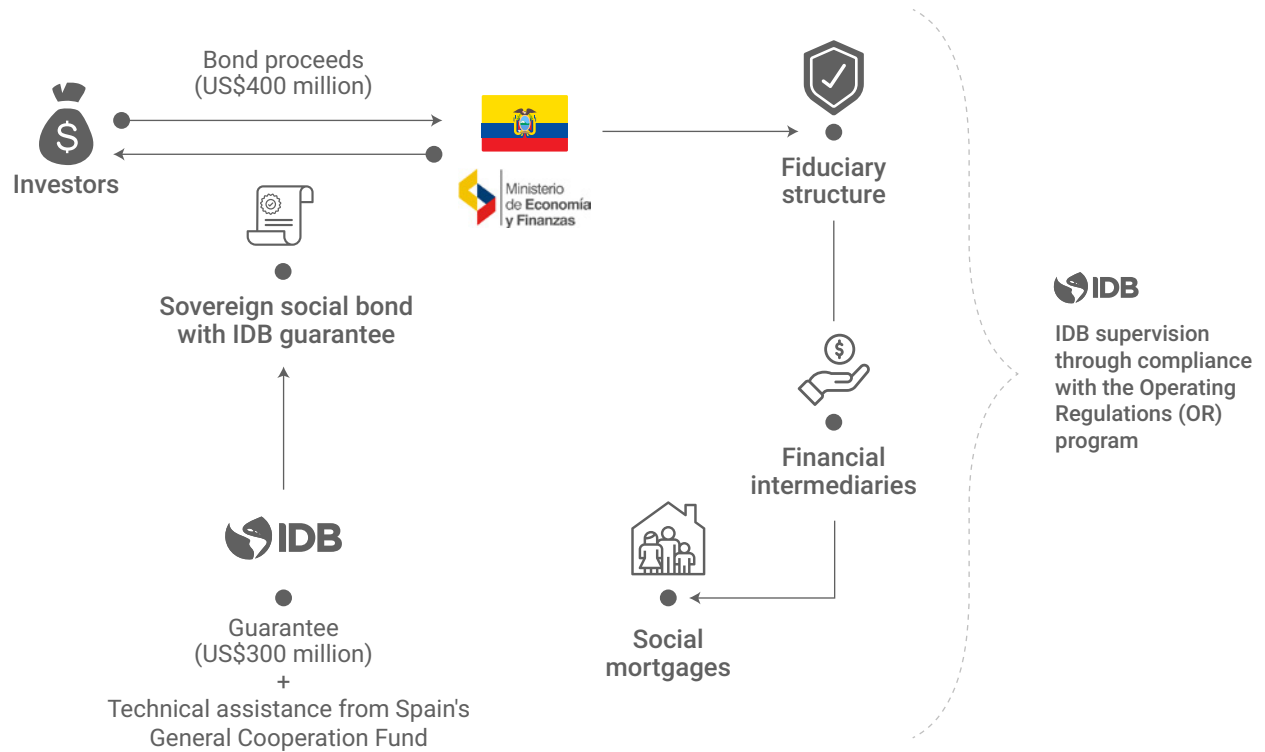
The Sovereign Social Bond for Affordable and Decent Housing in Ecuador meet four of the 17 Sustainable Development Goals (SDGs):



** The public program "Casa Para Todos" considers the definition of "affordable and decent housing" provided by the United States Department of Housing and Urban Development, which states that buyers should be able to afford homes with 30 percent or less of their income.


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Sovereign Social Bond Execution Scheme



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IDB Guarantee Terms	
Guarantor	Inter-American Development Bank (IDB) Fitch AAA / S&P AAA / Moody's Aaa
Cover	US\$300 million
Covered risk	Non-honoring of a sovereign financial obligation for the payment of scheduled interest and principal payments due under the notes on each scheduled date
Governing law	New York State

Sovereign social bond summary term sheet	
Issuer	The Republic of Ecuador
Guarantor	IDB
Issued amount	US\$400 million
Currency	US\$
Tenor	15 years
Use of proceeds	Eligible social mortgages complying with the “ Casa para Todos ” program requirements 
Independent reviewer of the social bond framework	Vigeo Eiris – issuance in compliance with the ICMA Social Bond Principles
Social impact reporting	Annual
Listing	Luxembourg

