Founded in 1960, the Elcatex Group ("Elcatex") is a leading Honduran textile company specialized in producing fabrics and sewing clothing for export. Elcatex operates eight sewing plants and diversifies its operations through four main business divisions: textiles and synthetic filament, energy, industrial parks, and technology and innovation.

Elcatex is committed to improving the well-being of its employees and promotes the development of the local communities where it operates. The Group seeks to guarantee a working environment with high standards of hygiene and safety.

Growing through technology and innovation in the company’s manufacturing process, Elcatex fosters sustainability by investing in renewable energy sources, water recycling, and the use of recycled materials.

Installed clean power capacity: 65MW

Water usage reduction: 70% in 10 years
IDB Invest is providing US$64 million to Elcatex to finance the construction, equipment, and operation of a new manufacturing plant as well as for capital expenditures, working capital, and financial liabilities. Through this investment, IDB invest aims to support the expansion of the company's operations by increasing its fabric production capacity and export diversification.

By partnering with Elcatex, IDB Invest is promoting local development, job creation, and economic growth. IDB Invest is also fostering competitiveness by mobilizing additional resources in a country where access to finance is limited.

The investment offers Elcatex the opportunity to improve its environmental and social risk management system and corporate governance model. The partnership also provides Elcatex with assistance to increase the participation of women-owned SMEs in its supply chain.
## INVESTMENT SNAPSHOT

<table>
<thead>
<tr>
<th>Sector</th>
<th>Region</th>
<th>Project Investment</th>
<th>Approval Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>Honduras</td>
<td>US$64M</td>
<td>2020</td>
</tr>
</tbody>
</table>

### Targets (2027)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct employment</td>
<td>Value of goods purchased from domestic MSMEs</td>
<td></td>
</tr>
<tr>
<td>10,530</td>
<td>US$14M</td>
<td></td>
</tr>
<tr>
<td>Value of sales</td>
<td>Value of export sales</td>
<td></td>
</tr>
<tr>
<td>US$416M</td>
<td>US$410M</td>
<td></td>
</tr>
</tbody>
</table>
IDB Invest’s Impact Management Framework is an end-to-end series of tools and practices covering the complete investment lifecycle. It allows us to build, measure, and manage a portfolio of financially sustainable investments that maximize development impact and contribute to reaching the Sustainable Development Goals (SDGs).

The SDGs are at the core of our approach. IDB Invest identifies the expected contributions of each investment to specific SDG targets upfront, and measures actual progress achieved over time.
ELCATEX: DEVELOPMENT IMPACT RESULTS

1. **No Poverty**

   Elcatex promotes practices to support direct employment in an area with a high incidence of poverty.

   **DIRECT EMPLOYMENT (2021):**
   
   12,301

5. **Gender Equality**

   Elcatex contributes to the inclusion of women into the value chain, fostering employment, decent jobs, and promoting equal opportunities.

   **WOMEN-LED/OWNED MSMEs (2021):**
   
   36

8. **Decent Work and Economic Growth**

   Elcatex promotes practices that support decent job creation and encourages the expansion of MSMEs, thus contributing to economic growth.

   **VALUE OF GOODS PURCHASED FROM DOMESTIC MSMEs (2021):**
   
   US$15.7M
ELCATEX: DEVELOPMENT IMPACT RESULTS

**INDUSTRY, INNOVATION AND INFRASTRUCTURE**
Elcatex fosters innovation in manufacturing techniques, which helps to increase production, competitiveness, and the integration of MSMEs into value chains.

VALUE OF SALES (2021):
US$435M

VALUE OF GOODS PURCHASED FROM DOMESTIC MSMEs (2021):
US$15.7M

**REDUCED INEQUALITIES**
The investment increases financial flows to countries with greater needs, including FSO developing states.

COUNTRY OF IMPLEMENTATION (2021):
HONDURAS

**PARTNERSHIPS FOR THE GOALS**
The financing contributes to sustainable initiatives in developing countries by increasing Elcatex’s export revenues and mobilizing financial resources to support sustainable initiatives.

VALUE OF EXPORT SALES (2021):
US$429.8M

RESOURCE MOBILIZATION AMOUNT (2021):
US$32M
Elcatex’s DELTA Impact Score reflects the company’s potential to expand and diversify its production and export capacity, as well as its capacity to generate positive outcomes in terms of economic growth, job creation, gender equality, and vulnerable community development. The score also captures the company’s progress regarding social responsibility, labor practices, and sustainability.

*To complement the DELTA Impact Score, IDB Invest calculates an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes. The “DELTA Project Score” is the overall rating assigned to each project that encompasses both the DELTA Impact Score and the DELTA Additionality Score.
MEASURING & MANAGING IMPACT: ELCATEX’S DELTA IMPACT SCORE

To complement the DELTA Impact Score, IDB Invest computes an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes. The DELTA Project Score is the overall score that encompasses both the DELTA Impact Score and the DELTA Additionality Score.

BUILDING BLOCKS OF THE DELTA IMPACT SCORE*

**Economic Analysis**
Estimates the net benefits of the investment to the economy and society (Economic & Social Rate of Return).

**Stakeholder Analysis**
Complements the Economic Analysis by assessing the types of beneficiaries reached and the type of benefits generated.

**Sustainability**
Ensures that the project is financially sustainable and meets IDB Invest’s ESG requirements.

* To complement the DELTA Impact Score, IDB Invest computes an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes. The DELTA Project Score is the overall score that encompasses both the DELTA Impact Score and the DELTA Additionality Score.
Managing for impact is an ongoing process.
Let’s continue the conversation.