

INFORMATION SUMMARY FOR THE PUBLIC
Banco BAC San José, S.A.

Host Country(ies):	Costa Rica
Name of Borrower(s):	Banco BAC San José, S.A. (“BAC SJ”)
Project Description:	This Project is expected to have a positive developmental impact in Costa Rica as it will stimulate the local economy by providing access to finance and leasing for small and medium-sized enterprises (“SMEs”) operating in a variety of sectors. Access to finance remains a key restraint for many Costa Rican SMEs. According to the International Finance Corporation, roughly 51% of Costa Rican micro, small and medium-sized enterprises (“MSMEs”) are unserved or underserved by the financial sector.
Proposed OPIC Loan:	USD 65,000,000 with a 7-year tenor
Total Project Costs:	USD 86,666,667
U.S. Sponsor:	Wells Fargo Bank, N.A.
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a highly developmental impact by expanding the availability of financing across BAC SJ’s portfolio of loans and leases in Costa Rica. This Project will provide loans to SMEs, leases to consumers and SMEs, and mortgages for low and middle-income home buyers. Despite relative wealth and development, about 40% of SMEs identify access to finance as a major constraint on business according to the World Bank Enterprise Survey. For Costa Rica, a country where an estimated 50% of all employment is created through MSME businesses, this provision of loans to SMEs is an important driver of the country’s growth. In addition, this Project will support mortgage lending in a country with a housing deficit. Though the loans themselves will not support construction, the increased availability of potential home buyers is expected to support new developments to meet this demand.
Environment:	Loans involving SME on-lending, mortgage lending, and consumer/SME leasing are typically screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety and social impact concerns are considered minimal. However, in order to ensure that BAC SJ’s loans are consistent with OPIC’s statutory and policy

	<p>requirements, the loan by OPIC will be subject to conditions regarding use of proceeds.</p>
<p>Social Assessment:</p>	<p>The Project must be managed in a manner consistent with the International Finance Corporation's Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local labor laws.</p> <p>OPIC's statutorily required language regarding the rights of association, organization and collective bargaining, minimum age of employment, and prohibition against the use of forced labor will be supplemented with provisions concerning non-discrimination and be subject to conditions regarding the use of proceeds. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p> <p>This Project involves loans to SMEs, leases to consumers and SMEs, and mortgages for low and middle-income home buyers, in Costa Rica. BAC SJ has developed policies and management systems that addresses social risk, including labor, commensurate with the risks associated with BAC SJ's anticipated portfolio supported by the OPIC loan.</p> <p>This review covers the commensurate human rights risks associated with SME on-lending, mortgage loans and leasing in Costa Rica.</p>