

## Public Information Summary

<b>Host Country</b>	Republic of El Salvador
<b>Name of Borrower</b>	Banco de América Central, S.A.
<b>Project Description</b>	DFC will make a 5-year senior, unsecured loan to a leading Salvadoran bank for on-lending to small, and medium-sized enterprises (“SMEs”) as well as to support the growth of the bank’s “Climate Finance” portfolio.
<b>Proposed DFC Loan</b>	\$60,000,000
<b>All-Source Funding Total</b>	\$75,000,000
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a positive development impact in El Salvador by addressing the country’s small and medium enterprise (“SME”) financing gap, which is estimated to be approximately \$2.1 billion, or 8% of GDP. Additionally, the Project seeks to reduce the country’s dependence on electricity imports and reliance on climate vulnerable hydroelectric generation assets by allocating a percentage of project proceeds to increase the Borrower’s portfolio of loans to enterprises seeking to make investments in renewable energy, energy efficiency, and water and sanitation, amongst other climate-linked projects.
<b>Environment and Social Assessment</b>	<p>The Project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC direct loans to financial institutions for SME on-lending are screened as a Category C for environmental and social assessment. These direct investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Borrower’s lending is consistent with the DFC’s statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the</p>

	<p>2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of lending to SMEs in El Salvador, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Borrower does use private security and therefore, relevant aspects of IFC PS 4 Community Health, Safety, and Security are triggered at this time.</p> <p>The Borrower has an environmental and social management system (“ESMS”) that is comprised of grievance mechanisms, environmental and social risk identification and mitigation procedures, and human resources policies commensurate with its investment strategy, but will require some strengthening regarding its child and forced labor policies, borrower supply chain risk assessment and monitoring, nondiscrimination and equal opportunity policy, and a GBVH prevention policy in order to meet the DFC’s 2020 Environmental Policy and Procedures.</p>
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