

## Public Information Summary

<b>Host Country</b>	Kenya
<b>Name of Borrower / Guaranteed Party</b>	Ed Partners Africa Limited, a limited liability company incorporated under the laws of Kenya
<b>Project Description</b>	DFC will provide a local currency loan guarantee to a local financial institution in Kenya, which will in turn extend a loan denominated in Kenyan Shillings to Ed Partners Africa Limited to expand their portfolio of loans to affordable private schools in Kenya.
<b>Proposed DFC Guaranty</b>	\$9,523,800 DFC guarantee, 7-year tenor with \$476,200 in currency appreciation cover
<b>All-Source Funding Total</b>	\$13,400,000 (inclusive of currency appreciation cover)
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The demand for education in Kenya is increasing rapidly, with 65% of Kenya's population under 25. This demand for quality, affordable education outstrips the Government of Kenya's ability to provide it through the public educational system. Affordable private schools offer an alternative, but these schools are capital constrained and traditional banking institutions do not service this customer segment. The DFC-backed investment guaranty will allow EPA to grow its book of loans substantially over the next several years.
<b>Environment and Social Assessment</b>	<p><b>Screening:</b> This project has been reviewed against DFC's categorical prohibitions and has been determined to be categorically eligible. Projects that will fund loans that may include construction at small educational facilities are screened as Category B projects under DFC's environmental and social (E&amp;S) policies because impacts are site-specific and readily mitigated. The primary E&amp;S issues associated with this project include the need for an environmental and social management system to ensure that the project is developed, implemented and managed in accordance with IFC's 2012 Performance Standards and the General Environmental, Health, and Safety (EHS) Guidelines, and ensuring that the buildings are safe and fit for habitation before being occupied in accordance with the local regulations and IFC General EHS Guidelines. (including those related to life and fire safety).</p> <p><b>Applicable Standards:</b> Under DFC's Environmental and Social Policies, the Borrower will be required to comply with the applicable national laws and regulations related to environmental and social performance. DFC's environmental and social due diligence indicates that the investment will have impacts which must be managed in a</p>

manner consistent with the following International Finance Corporation's (IFC) 2012 Performance Standards (PS):

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention; and
- PS 4: Community Health, Safety, and Security

The construction of buildings will be in developed areas and will not adversely impact biodiversity. Therefore, PS 6 is not triggered by this project at this time.

In addition, this project will be required to comply with the applicable provisions of the IFC's Environmental, Health, and Safety (EHS) General Guidelines.

This project's greenhouse gas (GHG) emissions are expected to be minimal and estimated to be less than 5,000 tons of carbon dioxide equivalent per year.

**Environmental and Social Risks and Mitigation:** The Borrower will be required to develop an environmental and social management system to ensure that the project is developed, implemented and managed in accordance with IFC's 2012 Performance Standards and the General Environmental, Health, and Safety (EHS) Guidelines. The ESMS will include, among other elements, a documented process for managing external grievances. Further, schools receiving loans from the Borrower for construction purposes will be required to ensure that contractors comply with all local environmental, labor, health, safety and education laws (including those related to life and fire safety). The schools will also ensure that the buildings are safe and fit for habitation in compliance with the local regulations and have appropriate life and fire safety features as required by the IFC General EHS Guidelines life and fire safety permit before being occupied. The schools will be required to obtain independent certifications from a Local Fire Safety Authority or a Fire and Safety professional as a condition to a school construction loan from the Borrower.