Host Countries	Pan-African with a primary focus on Côte d'Ivoire (LMIC), Egypt (LMIC), Kenya (LMIC), Morocco (LMIC), and Senegal (LMIC).
Name of Fund	Amethis Fund III S.C.A., SICAV-RAIF (the "Fund")
Name of Fund Manager	Amethis Partners S.A. (the "Fund Manager")
Project Description	The Fund will make equity investments in middle market companies across Africa, and will focus on helping portfolio companies professionalize their management, expand their geographic footprint, and improve their environmental, social, and governance standards, gender diversity, and climate efficiency. A portion of the Fund Manager's carried interest will also be linked to the achievement of these impact goals.
Proposed DFC Loan/Guaranty/Equity Investment	DFC's equity investment will be the lesser of 20% of committed capital or $40 million.
Target Fund Size	€450 million
Policy Review	
Developmental Objectives	Investment flows to Africa have been declining since the mid-2010s and according to the OECD, Africa currently faces a sustainable financing gap of $1.6 trillion, nearly five times the continent's small and medium enterprise ("SME") finance gap. This problem is particularly acute for African mid-caps, which are too large to benefit from SME finance lines of credit but not large enough to access local capital markets affordably and thus rely heavily on private equity for financing. In response to this challenge, the Fund will make direct equity investments to mid-cap enterprises throughout Africa, most of which are expected to be in low- or lower-middle-income countries. The Fund Manager will also seek to provide technical assistance to all investees, including implementation of environmental and social action plans as well as gender action plans designed to bring each portfolio company into compliance with the 2X Challenge criteria. DFC has qualified the Fund as 2X based on the employment and investments through financial intermediaries 2X criteria. Given the Fund's characteristics, it is categorized as Highly Impactful per DFC's Impact Quotient.
Environment and Social Assessment	The Project has been reviewed against the DFC's 2024 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. DFC loans to investment funds which invest in medium and large enterprises in various sectors including energy, technology,

	financial services, and infrastructure support services are typically screened as a Financial Intermediary B (FI-B) for environmental and social assessment. Because the Fund's downstream portfolio investments are expected in potentially riskier sectors such as manufacturing, infrastructure support, and healthcare which will result in moderate environmental and social impacts, the Project has been classified as a Category FI-B. Therefore, all those downstream investments have been pre-screened as medium risk though further review and consent is not required for these investments as set forth in the DFC's ESPP 2024 regarding financial intermediaries. To ensure that the Fund's investments are consistent with the DFC's statutory and policy requirements, the DFC equity investment 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 Management System("ESMS") that meets the 2012 IFC Performance Standards. 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 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk based due diligence assessment indicates that because the Project will use DFC support for investing into SMEs in various sectors including healthcare, financial services, business services, infrastructure/energy, and manufacturing and distribution (including agribusiness and consumer goods) across Africa, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 5, 6, 7, and 8 are not triggered at this time. Since the Project's investments may involve investments into portfolio companies in sectors with heightened sensitivities, DFC's environmental and social due diligence indicates the Project may have impacts that must be managed in a manner consistent with the following 2012 International Finance Corporation's (IFC) Performance Standards (PS): • PS1: Assessment and Management of Environmental and Social Risks and Impacts; • PS2: Labor and Working Conditions; • PS3: Resource Efficiency and Pollution Prevention; and

	PS4: Community Health, Safety, and Security. The Fund has an environmental and social management system as described in IFC PS 1, grievance mechanisms, and human resources policies generally commensurate with its investment strategy. However, the Fund will be required to provide the finalized and updated ESMS and evidence of its implementation through its investment due diligence, and an updated Human Resources Policy to meet the DFC's 2024 Environmental Policy and Procedures.