

**Public Information Summary**  
**Cooperativa de Ahorro y Credito Jardin Azuayo Ltda**

<b>Host Country</b>	Ecuador
<b>Name of Borrower</b>	Cooperativa de Ahorro y Credito Jardin Azuayo Ltda. (“Jardin Azuayo”)
<b>Project Description</b>	Expansion of lending to micro, small, and medium enterprises (“MSMEs”), mainly in rural communities in southern Ecuador
<b>Proposed DFC Guaranty</b>	\$9,750,000 (10-year tenor)
<b>All-Source Funding Total</b>	\$10,300,000
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a highly developmental impact by supporting micro, small, and medium enterprise (MSME) lending in Ecuador, primarily to rural clients including women. The MSME financing gap in Ecuador is estimated at \$17.9 billion, or approximately 18 percent of GDP. Women MSMEs in Ecuador amount to over 100,000 and have a greater than \$1.5 billion finance gap. The Project is expected to support over 1,500 MSME clients at the peak of its support.
<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. Loans to Financial Intermediaries (“FI”) for the expansion of lending to micro, small, and medium enterprises are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream 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 FI’s investments are consistent with the DFC’s statutory and policy requirements, the DFC-guaranteed loans made to the Borrower 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. Under the DFC’s ESPP, the FI 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. Because</p>

	<p>the FI utilized armed and private security, the specific requirements found within PS 4 Community Health, Safety, and Security for security forces will also apply.</p> <p>A desk-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of lending to micro, small, and medium enterprises (“MSMEs”) and small to medium enterprises (“SME’s) in Ecuador in the sectors of manufacturing, agriculture, housing, and trade/retail, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Borrower has a basic 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 environmental and social risk management policies in order to meet the DFC’s 2020 Environmental Policy and Procedures.</p>
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