

Public Information Summary

Host Country	Rwanda
Name of Guaranteed Party	Compagnie Générale de Banque Plc.
Project Description	A guaranty of qualifying loans to small and medium enterprises. The guaranty facility will be used to mitigate some risks associated with SMEs and serve as a collateral substitute for SMEs which lack sufficient collateral.
Proposed DFC Guaranty	\$7,008,760
All-Source Funding Total	Up to \$14,017,521
Policy Review	
U.S. Economic Impact	None.
Developmental Objectives	The Project is expected to have a highly developmental impact through the provision of loans to SMEs primarily engaged in the agriculture sector. SMEs play a crucial role in the Rwandan economy accounting for 47% of formal employment and representing 97% of registered businesses. Yet, SMEs often cannot access financing to fulfill their working capital needs or to make necessary capital expenditures to grow their businesses and increase productivity. The Project will focus on lending in the agricultural sector in a country where one in five people are food insecure. The Borrower's lending will provide SME the financing they need to make necessary capital expenditures to grow their businesses and increase productivity, helping improve food security.
Environment and Social Assessment	<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 loan portfolio guaranties for the expansion of lending to 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 Guaranteed Party's investments are consistent with the DFC's statutory and policy requirements, the DFC loan portfolio guaranty will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this</p>

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 Guaranteed Party 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-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of lending for small and medium enterprises primarily in the trade/retail, housing/construction, agriculture, and general services in Rwanda, 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 Guaranteed Party does hire armed private security and therefore relevant aspects of IFC PS 4, Community Health, Safety, and Security are triggered.

The Guaranteed Party has a formal environmental and social management system (“ESMS”) that is fully integrated into its investment decisions. The Guaranteed Party also has grievance mechanisms and human resources policies commensurate with its investment strategy but will require some strengthening regarding its environmental and social risk management and human resources policies in order to meet the DFC’s 2020 Environmental Policy and Procedures.