

Public Information Summary

Host Countries	DFC proceeds will support loans to small and medium agri-business enterprises in the following eight countries in the Region: Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Mexico, Paraguay, and Peru (the “Project”).
Names of Borrowers	DFC intends to fund two affiliated entities: AGRONEGOCIOS LAAD S.A. de C.V., SOFOM ENR (“LAAD Mexico”) operating and regulated in Mexico and LAAD Americas N.V. (“LAAD N.V.”) domiciled in Curaçao and operating in seventeen countries across Latin America.
Project Description	Expand smallholder farmers’ access to credit and promote private sector agribusiness development in Latin America and the Caribbean. DFC loan proceeds will be on-lent to qualifying small and medium-sized enterprises (“SMEs”) in eligible DFC countries throughout the region.
Proposed DFC Loan	\$30,000,000
All-Source Funding Total	\$38,000,000
Policy Review	
Developmental Objectives	This Project is expected to have a developmental impact in DFC-eligible countries in Latin America through the provision of credit to SMEs operating in agriculture, supporting farm development, farm purchase, farm renovation, plantation expansion, and working capital. The SME finance gap is at least \$236 billion according to the IFC, while the OECD-FAO Agricultural Outlook reports broad consensus that credit needs are not being met for more than 80 percent of total landholdings in Latin America.
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. Loans for the purposes of SME on-lending are screened as Category C projects for the purpose of environmental and social assessment in accordance with DFC’s ESPP. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all 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 Borrowers’ investments are 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 Borrowers are required to comply with applicable local and national laws and regulations related to</p>

	<p>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 SME on-lending in Latin America, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Borrowers have an Environmental and Social Risk Management System, grievance mechanisms, and human resources policies commensurate with its investment strategy and the DFC’s 2020 Environmental Policy and Procedures.</p>
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